



Modimolle-Mookgophong
Local Municipality

**2018/19 Medium Term Revenue
and
Expenditure Framework
(MTREF)**

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Part 1 – INTRODUCTION

The Vision statement of Modimolle-Mookgophong Local Municipality:

The Mission statement:

Municipal core values:

Modimolle-Mookgophong Local Municipality is committed to the following core values:

Professionalism: All Municipal Officials are anticipated to have expressive knowledge in their field of service delivery and should be able to articulate such to stakeholders and customers

Integrity: Entails the consistent application of work ethics at all situations in an honest and transparent manner

Diversity: It means understanding that each individual is unique and recognizing our individual differences. These can be along the dimensions of race, ethnicity, gender, sexual orientation, socio-economic status, age, physical abilities, religious belief, political beliefs or other ideologies.

Accessibility: Conduct council's business in a fair, responsible, flexible, equitable and honest manner.

Accountability: Report regularly to all stakeholders regarding council's actual performance

Redress: All complaints directed at Council must spark positive actions from respective Officials

Municipal Budgeting

Financial plans have separate budgets for operations and capital investments. This ensures that municipalities do not finance their operational expenses by obtaining loans, but rather helps them to be financially viable.

Operating Budget

This part of the budget shows how much money is spent on running the administration and delivering the day-to-day services including the maintenance of existing assets and infrastructure. It shows where this money comes from (sources of revenue). This income may be from rates and taxes, service charges and inter –governmental transfers.

Capital Budget

This part of the budget shows how much money local government is planning to invest in infrastructure or other capital assets. Municipalities have to know how much will be spent on this item each year, and where the money for this spending will come from. This part of the budget is called the **capital budget** because it is used for new physical development, or infrastructure investment.

The MFMA requires municipalities to prepare balanced budgets. This means that they have to make reasonable estimates of income and match it to anticipated expenditure.

Part 2 - ANNUAL BUDGET

1. MAYORS' REPORT

In his Budget Speech to Parliament on 21st February 2018, the Minister of Finance highlighted the following challenges:

- Local governments continue to face significant financial management and governance challenges.
- Too many municipalities do not charge tariffs that reflect the full cost of the services they deliver, in particular for water services.
- Many municipalities do not collect the funds that are owed to them, and do not adopt credible budgets. As a result, they are unable to pay their own creditors.

Modimolle-Mookgophong municipality is not unique and is currently experiencing similar problems as those of other municipalities in the same situation, however there are measures in place that are currently being implemented to improve this situation. These measures include but are not limited to:

- National Treasury support ie. The Municipal Finance Improvement Programme
- A Financial Recovery Plan
- Corporate Governance
- Skills Development
- The planned Cost of Supply Studies for all municipal services
- An established Budget and Treasury Steering Committee

Among the impacts are the serious cash flow challenges currently being experienced by the municipality due to among other things declining collection rates; historic expenditure patterns and a general lack of “doing business smarter”.

Management within local government has a significant role to play in strengthening the link between the citizen and government's overall priorities and spending plans. The goal should be to enhance service delivery aimed at improving the quality of life for all people within the Modimolle-Mookgophong Municipality.

Budgeting is primarily about the choices that the municipality has to make between competing priorities and fiscal realities. The challenge is to do more with the available resources. We need to remain focused on the effective delivery of the core municipal services through the application of efficient and effective service delivery mechanisms.

Some of our key service delivery objectives include:

- Construction of Modimolle New Substation
- Repairs and maintenance of Municipal movable assets to cater for better service delivery
- Establishment of Modimolle Landfill site phase 1 and 2
- Completion of Limpopo low level culvert bridge
- Paving of Leseding street Ext. 1 and 2 including Waterberg street and the completion of Mogol street
- Completion of sewer reticulation outfall and yard connection in Phomolong
- Completion of Leseding Ext.1 Sports Facility

And WSIG projects to the value of R64.5m prioritized for 2017/18 financial year.

Outline of Grants

1. MIG

For 2017/18 LIM368 received R44.2m and spent R29.9m leaving a balance of R14.3m which is not cash-backed.

2. WSIG

For 2017/18 LIM368 received R80m and spent R15.1m leaving a balance of R64.9m which is not cash-backed.

3. INEP

For 2017/18 LIM368 received R8m and spent R5.9m leaving a balance of R2.1m which is not cash-backed.

A	B	C	D	E	F
Grants	2017/18 Allocated and Received	2017/18 Spent	2017/18 Balance not cash-backed	2018/19 Allocation	2018/19 Actual to be spent
MIG	R44.2m	R29.9m	R14.3m	R37.8m	R23.5m
WSIG	R80m	R15.1m	R64.9m	R50m	R0
INEP	R8m	R5.9m	R2m	R10m	R7.9m
Total	R132.2m	R50.9m	R81.2m	R97.8m	R31.4m
E-Shares				R100.8m	R19.6m
Total to be offset against EQS	<p>E – D = R19.6m for the total Equitable Shares for 2018/19</p> <p>*If the first E-S tranche is over R19.6m then LIM368 will automatically be indebted to National Treasury.</p> <p>*The municipality will inevitably not receive any E-S for the remainder of the 2018/19 financial year.</p> <p>*Hence this requires a rigorous and diligent financial recovery commitment.</p>				

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that sustainable municipal services are provided economically and equitably to all communities.

Of importance is the updating of the municipal property valuation roll. This will in turn increase the revenue of the municipality. It has been identified that there are several properties in the municipality that require re-classification.

2. COUNCIL RESOLUTIONS

1. The Council of Modimolle-Mookgophong Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) proposed:
 - 1.1. The budget of the municipality for the financial year 2018/19, the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 12 on page 35;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 13 on page 37;
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 14 on page 38; and
 - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 15 on page 442.
 - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - 1.2.1. Budgeted Financial Position as contained in Table 16 on page 44;
 - 1.2.2. Budgeted Cash Flows as contained in Table 17 on page 46;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 18 on page 46;
 - 1.2.4. Asset management as contained in Table 19 on page 48; and
 - 1.2.5. Basic service delivery measurement as contained in Table 20 on page 53.
2. The Council of Modimolle-Mookgophong Local Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) propose:
 - 2.1. The tariffs for electricity – as set out in Annexure A
 - 2.2. The tariffs for the supply of water – as set out in Annexure A
 - 2.3. The tariffs for the refuse removal – as set out in Annexure A
 - 2.4. The tariffs for the sanitation – as set out in Annexure A
 - 2.5. The tariffs for the property rates – as set out in Annexure A



3. The Council of Modimolle-Mookgophong Local Municipality propose to approve and adopt with effect from 1 July 2018 the following:
 - 3.1. Interest at the rate of 12,65% per annum on all accounts in arrears.
 - 3.2. Defaulters will be liable to legal proceedings for the recovery of arrear amounts.
4. The Council of Modimolle-Mookgophong Local Municipality propose to approve and adopt with effect from 1 July 2018 the following free basic services for Indigent consumers per 30-day period:
 - 4.1. 50 kwh of electricity
 - 4.2. 6kl water
 - 4.3. free refuse removal
 - 4.4. sewerage
 - 4.5. property rates.

Indigent consumers will not be liable to pay for municipal services except where they exceed the free basic services provided for by Council.
5. The Council of Modimolle-Mookgophong Local Municipality approves and adopts the following amended budget related policies:
 - 5.1. Tariff Policy
 - 5.2. Rates Policy
 - 5.3. Indigency Management Policy*
 - 5.4. Budget Management Policy
 - 5.5. Debt Provision and write off Policy
 - 5.6. Budget Principles Policy
 - 5.7. Virement Policy
 - 5.8. Inventory Policy
 - 5.9. Credit Control and Debt Collection Policy
 - 5.10. Banking and Investment Policy
 - 5.11. Cell Phone Policy
 - 5.12. Immovable Asset Management Policy
 - 5.13. Supply Chain Policy*
 - 5.14. External Loans Policy
 - 5.15. Movable Asset Management Policy

NB: Those policies with an astrix are still to be reviewed.

The following policies are still to be developed:

- a. Funding and reserves
- b. Borrowing
- c. Long-term financial planning
- d. Cost containment

3. EXECUTIVE SUMMARY

The application of sound financial management principles for the compilation of the Municipalities financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The following table is a consolidated overview of the proposed 2018/19 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2018/19 MTREF

Description Thousand	Current budget year		2018/19 Medium Term Revenue & Expenditure		
	Original Budget 2017/18	Adjusted Budget 2017/18	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Total Operating Revenue	462 037	456 907	477 748	543 433	576 623
Total Operating Expenditure	573 771	612 941	634 030	670 690	714 870
Surplus/(Deficit)	(111 734)	(156 034)	(156 282)	(127 257)	(138 247)
Total Capital Expenditure	125 231	130 231	160 513	126 630	133 505

Total operating revenue has increased by 5 percent or R20.8 million for the financial year when compared to the 2017/18 Adjustment Budget. For the two outer years, operational revenue will increase, equating to a total revenue growth of R33 million in 2020/21 when compared to the 2017/18 financial year.

Total operating expenditure for the 2018/19 financial year has been appropriated at R634 million and translates into a budgeted deficit of R156 million. When compared to the 2017/18 Adjustments Budget, operational expenditure has gone up by 3 percent in the 2018/19 budget and grown by 6 and 7 percent for 2019/20 and 2020/21 of the respective outer years of the MTREF.

The capital budget of R160.5 million for 2018/19 has increased by 23 percent when compared to the 2017/18 Adjustment Budget. The increase is due to the a higher backlog experienced on old projects that remained incomplete in the current and prior financial years. Included in the capital expenditure is amount of R64.5 million, unspent for grants, but not cashbacked which must now be raised internally to finance such expenditure. Capital grants allocations is appropriated in the Division of Revenue act (DORA). The capital programme increases to R126.6 million in the 2019/20 financial year. The capital budget for the financial year 2018/19 will be funded from government grants and own revenue.

1. Operating Revenue Framework

The following table is a summary of the 2018/19 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

LIM368 Modimolle-Mookgopong - Table A4 Budgeted Financial Performance (revenue and expenditure)

Limbang Modulare Housing Project - Table A4 Budgeted Financial Performance (Revenue and Expenditure)											
Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Revenue By Source</u>											
Property rates	2	–	–	55 979	65 378	65 378	65 378	–	103 157	109 213	116 440
Service charges - electricity revenue	2	–	–	124 260	162 181	157 067	157 067	–	133 122	177 671	187 292
Service charges - water revenue	2	–	–	29 379	42 031	47 182	47 182	–	53 066	53 468	56 349
Service charges - sanitation revenue	2	–	–	25 024	22 410	16 803	16 803	–	18 034	19 285	20 347
Service charges - refuse revenue	2	–	–	15 008	16 778	16 785	16 785	–	17 847	19 064	20 113
Service charges - other											
Rental of facilities and equipment				247	608	698	698		729	768	810
Interest earned - external investments				2 696	3 050	1 550	1 550		104	120	150
Interest earned - outstanding debtors				24 608	29 707	34 707	34 707		36 897	38 890	41 029
Dividends received				–	–	–	–		–	–	–
Fines, penalties and forfeits				400	161	561	561		446	660	697
Licences and permits				2 292	8 173	3 805	3 805		1 900	4 668	4 925
Agency services											
Transfers and subsidies				89 412	105 115	105 115	105 115		107 831	114 008	122 544
Other revenue	2	–	–	5 019	6 445	7 256	7 256	–	4 616	5 619	5 928
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		–	–	374 324	462 037	456 907	456 907	–	477 748	543 433	576 623

Table 3 Percentage growth in revenue by main revenue source

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2018/19	%	Budget Year +1 2019/20	%	Budget Year +2 2020/21	%
Revenue by source								
Property rates	65 378	14%	103 157	22%	109 213	20%	116 440	20%
Property rates - penalties & collection charges	-		-	0%	-		-	
Service charges - electricity revenue	157 067	34%	133 122	28%	177 671	33%	187 292	32%
Service charges - water revenue	47 182	10%	53 066	11%	53 468	10%	56 349	10%
Service charges - sanitation revenue	16 803	4%	18 034	4%	19 285	4%	20 347	4%
Service charges - refuse revenue	16 785	4%	17 847	4%	19 064	4%	20 113	3%
Service charges - other	-		-		-		-	
Rental of facilities and equipment	698	0%	729	0%	768	0%	810	0%
Interest earned - external investments	1 550	0%	104	0%	120	0%	150	0%
Interest earned - outstanding debtors	34 707	8%	36 897	8%	38 889	7%	41 029	7%
Dividends received	-		-		-		-	
Fines	561	0%	446	0%	660	0%	697	0%
Licences and permits	3 805	1%	1 900	0%	4 668	1%	4 925	1%
Agency services	-		-		-		-	
Transfers recognised - operating	105 115	23%	107 831	23%	114 008	21%	122 544	21%
Other revenue	7 256	2%	4 616	1%	5 619	1%	5 928	1%
Gains on disposal of PPE								
Total Revenue (excluding capital transfers and contributions)	456 907	100%	477 748	100%	543 433	100%	576 623	100%
Total revenue from rates and services charges	303 215	66%	325 226	68%	378 701	70%	400 541	69%

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating revenue, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the Municipality. Rates and service charge revenues comprise 68% of the total revenue mix. In the 2017/18 financial year, revenue from rates and services charges totalled R303.2 million or 66 percent. This increases to R325.2 million, then increases to R378.7 and R400.5 million in the respective financial years of the MTREF. This growth can be mainly attributed to the increased share that the rates revenue and services charges contributes to the total revenue mix.

The Property Rates increase from R65.4 million in the adjusted budget to R103.2 million in the 2018/19 financial year.

The Water Service charges increased from R47 million to R53 million in the 2018/19 financial year. The increase is mainly due to the increase in tariffs, influenced by an unavoidable tariff increase from Magalies water.

Operating grants and transfers total R105.1 million in the 2017/18 financial year and steadily increase to R122.5 million by 2020/21. The increase is due to increase of 17% in the Equitable Share allocation.

The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 4 Operating Transfers and Grant Receipts

LIM368 Modimolle-Mookgophong - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
RECEIPTS:	1, 2									
<u>Operating Transfers and Grants</u>										
National Government:		-	-	102 226	103 955	103 955	103 955	106 810	114 008	122 544
Local Government Equitable Share				83 447	93 384	93 384	93 384	100 804	109 080	118 015
Finance Management				3 539	4 045	4 045	4 045	4 115	3 000	2 500
Municipal Infrastructure Grant (MIG) 5%				1 813	1 960	1 960	1 960	1 891	1 928	2 029
Municipal Demarcation Transfer				13 428	4 566	4 566	4 566	-	-	-
Other transfers/grants [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	2 302	1 160	1 160	1 160	1 021	-	-
Expanded Public Works Programme				2 302	1 160	1 160	1 160	1 021	-	-
Total Operating Transfers and Grants	5	-	-	104 528	105 115	105 115	105 115	107 831	114 008	122 544

Tariffs

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6 percent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilized for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. The Municipality have where possible increased the tariffs with between 5% and 10% above the CPI target to close the gap between cost drives and tariffs levied. Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows.

1.1 Property Rates

Determining the effective property rate tariff is crucial to the municipality's budgeting process.

The implementation of Property Rates is regulated in terms of the Municipal Property Rates Act, and the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties to be 0,25:1. The implementation of these regulations was done in previous budget processes and the Property Rates Policy of the Municipality has been amended accordingly.

The tariffs for the two former municipalities had been consolidated into one set of tariffs for different categories. It was unavoidable in the process of consolidation to allow a consequent increase in all tariffs. It is therefore necessary to mention that the total billing for rates on one single owner's account will at some instances increase in the 2018/19 financial year with more than 6,5% as contained in the attached **Table 4**.

TABLE 4: PROPERTY RATES

		LIM 368	Modimolle-Mookgophong
		TARIFFS 2017 / 2018	TARIFFS 2018/19
(1)	Assessment rates :		
(a)	Residential Property / Sectional Titles	R 0.010820 / R	R 0.011253 / R
(b)	Agricultural	R 0.001992 / R	R 0.001992 / R
(c)	Business	R 0.020499 / R	R 0.021729 / R
(d)	Mining	R 0.020499 / R	R 0.021729 / R
(e)	State Owned	R 0.020499 / R	R 0.021729 / R
(f)	Public Service Infrastructure	R 0.001992 / R	R 0.002112 / R
(g)	Privately Owned Town	R 0.010820 / R	R 0.010769 / R
(2)	Exemptions (in terms of section 15 of the MPRA and the Property Rates Policy), other than in terms of Impermissible Rates (section 17 of the MPRA) :		
(a)	Municipal Property	100%	100%
(b)	Residential 1 Properties, additional amount to the value of the property, not being taxed	R 10,000.00	R 10,000.00
(c)	Public Service Infrastructure	100%	100%
(d)	Rights registered against properties	100%	100%
(e)	Public Benefit Organizations (on application)	100%	100%
(3)	Reductions (in terms section 15 of the MPRA and the Property Rates Policy) :		
(a)	Destruction of property as a cause of disaster (on application)	80%	80%
(4)	Rebates (in terms section 15 of the MPRA and the Property Rates Policy) :		
(a)	Privately Owned Town (serviced by the owner)	20%	20%
(b)	Agricultural Properties	40%	40%
(c)	Developed Properties (not transferred by a developer yet)	10%	10%
(d)	Registered Indigents : The owner must be the registered owner and occupant of the applicable property, whose monthly aggregated monthly income is proved to the satisfaction of the Municipal Manager, not to exceed R3 500.00 (2016 : R3 000.00)	100%	100%
(e)	Retired owners & medical unfit applicants : Property owners over 60 years of age, permanent occupants and the sole owner of the property concerned, whose monthly aggregated income is proved to the satisfaction of the Municipal Manager, to be : equal or less than R 3 500.00 between R3 501.00 and R5 500.00 between R5 501.00 and R 8 000.00	100% 50% 20%	100% 50% 20%

1.2 Sale of water and impact of Tariff Increases

South Africa face challenges with regard to water supply as it does with electricity, since demand outstrips supply. Consequently, it is necessary to review the level and structure of the water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the registered indigent consumers; and
- Water tariffs are designed to encourage efficient and sustainable consumption and discourage unnecessary usage of water.



A summary of the tariffs for all consumers are attached under **Table 5**. The tariff structure of the 2017/18 financial year had been consolidated into a combination of the two former municipalities water tariff structures. This structure will allow a consumer to control it's own water account to limit the amount billed onto the water account. The tariff structure is designed to charge higher levels of consumption at a higher rate.

The table below provides a summary total of operating revenue and expenditure in respect of water.

	Budget 2018/19	Budget 2017/18
Total Water Operating Revenue	53 066 119	47 181 713
Total Water Operating Expenditure	64 283 637	61 536 776
Gross/(Loss)	(11 217 519)	(14 355 063)
Percentage gross profit/Loss	-17%	-23%

The service is regarded as a trading service and is supposed to run on a surplus. Currently the service is running at a loss. The percentage loss has decreased from 23 percent to 17 percent in the 2018/19 financial year. In view of the losses the municipality will undertake the cost of supply study for the water services.



A summary of the proposed tariffs for households (residential) and non-residential are as follows:

Table 5 Proposed Water Tariffs

TABLE 5: WATER SUPPLY		LIM 368	Modimolle-Mookgophong
1. BASIC CHARGE:		TARIFFS 2017 / 2018	TARIFFS 2018/19
(1) Where an erf, stand, lot or other area excluding municipal property is, or in the opinion of Council, can be connected to the main supply, a basic charge per month or part thereof shall be payable by the owner or occupant, as well as where any erf; stand, lot or other area zoned as residential 1 or 2 in terms of the Mookgophong Town Planning Scheme is occupied by more than one (1) consumer to whom water is supplied by the Council, the said basic charge shall be payable in respect of every such consumer or occupant or owner :			
(a) Undeveloped property		R 83.46	R 93.48
(b) Bulk, Trade, Industry and other non-domestic consumers			
- Measuring up to 500m ²		R -	R -
- Measuring up to 1000m ²		R -	R -
- Measuring up to 2000m ²		R -	R -
- Measuring above 2000m ²		R -	R -
(c) Residential consumers		R 60.00	R 67.20
(c) Trade; Bulk, Industry and non-domestic		R 84.00	R 94.08
(2) (a) Schools. Tennis and Bowling clubs and public benefits organization will be levied On Municipal tariffs for metered water consumption (on application)			
Municipal		R -	R 13.32
Basic charges		R -	R 90.00

2. CHARGES FOR WATER SUPPLY, PER MONTH:

(1) Purified water to all domestic consumers :			
(a) 0 - 6 kl to all indigent households :		Free	Free
(b) Per connection per kl :			
0 - 10 kl		R 11.63	R 13.03
11 - 20 kl		R 13.42	R 15.03
21 - 30 kl		R 17.92	R 20.07
31 and above		R 19.62	R 26.31
(2) Purified water to all Bulk, Trade, Industry and other non-domestic consumers :			
0 - 30 kl		R -	R -
31 kl and above		R 25.73	R 28.82
Privately owned towns		R 29.54	R 33.08
(3) Water delivered by truck outside urban areas :			
(a) Per kiloliter		R 90.28	R 101.11
(b) Per kilometer, travelled from collection to delivery point		R 49.38	R 55.31



1.3 Sale of Electricity and Impact of Tariff Increases

The NERSA document proposes a 6.84 percent guideline increase for municipality electricity tariffs for 2018/19. This is based on a bulk tariff increase for municipalities of 7.32 percent.

It is important to note that the lower level of consumption is limited to a 4% increase.

The inadequate electricity bulk capacity and the impact on service delivery and development remains a challenge for the Municipality. Most of the reticulation network was designed or strengthened in the early 1970's with an expected 20-25 year life-expectancy. The upgrading of the electricity network has therefore become a strategic priority, especially the substations and transmission lines.



The attached **Table 6** indicates the impact of the proposed increases in electricity tariffs on the electricity charges for all categories of consumers.

TABLE 6: ELECTRICITY SUPPLY	LIM 368	Modimolle-Mookgophong
1. BASIC CHARGES	TARIFFS 2017 / 2018	TARIFFS 2018/19

Note : 1 A basic charge per month or part thereof, shall be payable in respect of any erf, stand, lot or other area within the municipality which has not been connected to the main supply or which in the opinion of Council, can be connected thereto, excluding municipal property:

2. DOMESTIC CHARGES:

(1) The tariff shall be applicable to the following consumers:			
(a) Private dwellings			
(b) Flats			
(c) Provincial aided institutions and hospitals as defined in the Hospital Ordinance of 1958			
(d) Institutions conducted by charitable organizations			
(e) Churches and church halls used exclusively for public worship			
(f) Pumping installations where the water is pumped exclusively used for domestic.			
(g) A building or separate part of a building exclusively used for residential purposes			
(2) Tariffs :			
(a) Basic charges and connectable vacant stands ¹ :	R	117.20	R 125.22
(b) Indigent Consumers Units 0 to 50 kWh:	Free		Free
(c) Unit charges per kWh consumed:			
0 - 50 kWh	R	0.8689	R 0.9283
51 - 350 kWh	R	1.1166	R 1.1930
351 - 600 kWh	R	1.6347	R 1.7465
601 kWh and above	R	1.9353	R 2.0677
(3) The tariff shall be applicable to the following consumers:			
(a) Household Consumers Pre Paid meter installations			
Tariffs :			
(a) Basic charges and connectable vacant stands ¹ :	R	-	R -
(b) Indigent Consumers Units 0 to 50 kWh:	Free		Free
(c) Unit charges per kWh consumed:			
0 - 50 kWh	R	0.8759	R 0.9358
51 - 350 kWh	R	1.1191	R 1.1956
351 - 600 kWh	R	1.6596	R 1.7731
601 kWh and above	R	1.9247	R 2.0563



3. COMMERCIAL CHARGES :

(1) This tariff shall be applicable to the following consumers: (a) Commercial shops (b) Enlightened street advertising signs (c) Offices and office buildings (d) Boarding / Guest Houses (e) Educational institutions and school hostels (f) Hotels and Bars (g) Cafes, tearooms and restaurants (h) Public Halls (i) Heavy Industrial undertakings (j) Service lights for flat buildings (j) Buildings or part of buildings containing a number of the classification under (1) and (10) inclusive and where the consumption in terms of this tariff metered separately by Council. (k) Sport Clubs (l) Show Grounds (m) Temporary Consumers (n) All other consumers, excluding consumers being classified under other items provided that if the demand is too large to be charged under this item such consumer be charged under item 4.		
(2) Tariff: (a) Basic Charges (not applicable to Pre-paid consumers): (b) Unit tariff KWH consumed: (c) Prepaid	R 364.73 R 1.6255 R 1.6566	R 400.00 R 1.7367 R 1.7699
(3) Tariff: (a) Agricultural Basic (excluding prepaid consumers on (1) above. (b) Unit tariff KWH consumed	- R -	R 800.00 R 0.8850
(4) (a) Schools, Tennis and Bowling clubs to be levied on Municipal tariffs for electricity Municipal charge Basic charge	R - R -	R 1.3652 R 200.00

4. LIGHT MANUFACTURING INDUSTRIES:

(1) This tariff shall be applicable to the following consumers:			
(a) Any consumer classified under Item (2) or (3) whose demand is above the following: Single phase (80 Amp and higher) Three phase (40/kvC/ 60 Amp and higher)			
(b) Any consumer manufacturing products for resale; employ 10 (ten) or more labourers and do have an annual turnover of less than R1million			
(2) Tariff:			
(a) Basic charge per month:	R	1,080.86	R 1,154.80
(b) Maximum demand per kVa:	R	235.64	R 251.76
(c) Energy consumption :	R	0.51	R 0.54

5. BULK SUPPLY:

(1) This tariff shall be applicable to the following consumers:			
(a) Any consumer classified under Item (2) or (3) whose demand is above the following: Single phase (80 Amp and higher) Three phase (40/kvC/ 60 Amp and higher)			
(b) Any consumer supplied by means of medium or high voltage, 1Kv to 11 Kv, Council shall take the medium or high voltage supply to the consumers substation or boundary only and such consumer shall supply his own transformer/mini sub station and switch gear for the connection. All medium or high voltage gear shall be metered at the low voltage side of the transformer/mini sub station.			
(2) Tariffs :			
(a) Basic charge per month:	R	781.81	R 835.29
(b) Unit tariff per kWh:	R	0.6860	R 0.7329
(c) Maximum demand per kVa:	R	215.35	R 230.08

The table below provides a summary total operating revenue and expenditure in respect of electricity.

	Budget 2018/19	Budget 2017/18
Total Electricity Operating Revenue	133 328 244	157 263 685
Total Electricity Operating Expenditure	215 605 641	222 843 032
Gross/(Loss)	(82 277 397)	(65 579 347)
Percentage gross profit/Loss	-38%	-29%

The service is regarded as a trading service and is supposed to run on a surplus. Currently the service is running at a loss. The percentage loss has increased from 29 percent

to 38 percent in the 2018/19 financial year. In view of the losses the municipality will undertake the cost of supply study for the electricity services.

Registered indigents will be granted 50 kWh per 30-day period free of charge. The municipality proposed a R125.22 basic charge per month for conventional meters.

1.4 Sanitation and Impact of Tariff Increases

The tariff structure for the Modimolle-Mookgophong Local Municipality had been consolidated from the two former municipalities. Although the percentage tariff increases might be high in some of the categories, the actual amount will not have such a large impact on the total billed amount on the consumer's account. The tariff for all categories of sanitation consumers is based on the input cost assumptions related to the waste water services.

Table 7 as attached compares the current tariffs and the tariffs for 2018/19.

TABLE 7: SEWERAGE		LIM 368	Modimolle-Mookgophong
1. BASIC CHARGES		TARIFFS 2017 / 2018	TARIFFS 2018/19
(1) A basic charge per month or part thereof shall be payable in respect of each erf, land, lot or other area within the municipality which have not been connected to Council's sewerage system but which can in the opinion of the Council be connected thereto:	R	260.29	R 275.91
(2) A basic charge per month or part thereof shall be payable in respect of each erf, land, lot or other area within the municipality which have been connected to Council's sewerage system :			
(a) Measuring up to 500m ² in extent	R	42.43	R 44.98
(b) Measuring up to 1000m ² in extent	R	56.57	R 59.96
(c) Measuring up to 2000m ² in extent	R	71.16	R 75.43
(d) Plus: For every additional 1000m ² or part thereof	R	29.90	R 31.69
(e) Measuring up to 600m ² in extent	R	-	R -
(f) Measuring up to 1,983m ² in extent	R	-	R -
(g) Measuring up to 2,975m ² in extent	R	-	R -
(h) Measuring up to 3,966m ² in extent	R	-	R -
(i) Measuring up to 4,957m ² in extent	R	-	R -
(j) Measuring up to 9,914m ² in extent	R	-	R -
(k) Measuring more than 9,914m ² (for every 992m ²)	R	-	R -
(l) Per toilet (minimum with no water consumption)	R	-	R -
(m) Per kl of water consumption (40%)	R	-	R -

The table below provides a summary total operating revenue and expenditure in respect of sanitation.

	Budget 2018/19	Budget 2017/18
Total Sanitation Operating Revenue	18 033 822	16 803 040
Total Sanitation Operating Expenditure	18 019 802	29 582 113
Gross/(Loss)	14 021	(12 779 073)
Percentage gross profit/Loss	0%	-43%

The service is regarded as a trading service and is supposed to run on a surplus. Currently the service is being rendered at a loss due to poor revenue collection. In view of the losses the municipality will undertake the cost of supply study for the sewer services.

1.5 Waste Removal and Impact of Tariff Increases

It is widely accepted that the rendering of this service should at least break even, which were in the previous years not the case.

The tariff structure for the waste removal of the two former municipalities had been consolidated. Although the percentage tariff increases might be high in some of the categories, the actual amount will not have such a large impact on the total billed amount on the consumer's account.

Table 8 compares current and proposed amounts payable from 1 July 2018.

TABLE 8: REFUSE REMOVAL AND SANITATION		LIM 368	Modimolle-Mookgophong
1. REFUSE REMOVAL:		TARIFFS 2017 / 2018	TARIFFS 2018/19
(1) Domestic			
(a) Removal of domestic refuse Residential 1, Standard Residence, once per week per dwelling or part thereof :	R 101.85	R 106.94	
(b) Removal of domestic refuse Residential 2 Domestic stand with more than one independent house/ flat, once per week per dwelling or part thereof :	R 814.00	R 854.70	
(c) Removal of domestic refuse Residential 3 Flats, once per week per dwelling or part thereof :	R 2,036.91	R 2,138.76	
(d) Removal of domestic refuse once per week per dwelling for all registered indigents:	Free	Free	
(2) Commercial and Other			
(a) Removal of refuse from business, public hospitals / clinics, schools, hostels and any other premises not mentioned in Item 1, twice (2) per week per entity / unit per month or part of a month:	R 305.03	R 320.28	
(b) Game / Guest Farms Lodges and Resorts, dumping at the dumping site, per truck :	R 318.97	R 334.92	
(c) Game / Guest Farms Lodges and Resorts, refuse removal by the municipality :		R -	
- quantity of refuse, per truck:	R 318.97	R 334.92	
- transport from the collection point to the dumping site, per km :	R 48.09	R 50.49	

The table below provides a summary total operating revenue and expenditure in respect of refuse.

	Budget 2018/19	Budget 2017/18
Total Refuse Operating Revenue	17 846 982	16 785 125
Total Refuse Operating Expenditure	27 850 499	26 308 220
Gross/(Loss)	(10 003 518)	(9 523 095)
Percentage gross profit/Loss	-36%	-36%

In view of the losses the municipality will undertake the cost of supply study for the sewer services.

1.6 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.



Table 6 MBRR Table 14 - Household bills

LIM368 Modimolle-Mookgopong - Supporting Table SA14 Household bills

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19 % incr.	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates					602.31	602.31	602.31		668.57	752.14	853.68
Electricity: Basic levy					117.20	117.20	117.20		125.22	134.61	144.71
Electricity: Consumption					1 489.72	1 489.72	1 489.72		1 591.62	1 710.99	1 839.32
Water: Basic levy					60.00	60.00	60.00		67.20	68.04	68.92
Water: Consumption					429.70	429.70	429.70		481.26	487.28	493.61
Sanitation					331.45	331.45	331.45		351.34	372.42	394.77
Refuse removal					101.85	101.85	101.85		106.94	112.29	117.90
Other											
sub-total		-	-	-	3 132.23	3 132.23	3 132.23	8.3%	3 392.15	3 637.77	3 912.91
VAT on Services					354.19	354.19	354.19		389.75	412.65	437.18
Total large household bill:		-	-	-	3 486.42	3 486.42	3 486.42	8.5%	3 781.91	4 050.42	4 350.08
% increase/decrease			-	-	-	-	-		8.5%	7.1%	7.4%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates					421.98	421.98	421.98		447.30	474.14	502.58
Electricity: Basic levy					117.20	117.20	117.20		125.22	134.61	144.71
Electricity: Consumption					602.13	602.13	602.13		643.32	691.57	743.44
Water: Basic levy					60.00	60.00	60.00		67.20	68.04	68.92
Water: Consumption					340.10	340.10	340.10		380.92	385.68	390.70
Sanitation					316.86	316.86	316.86		335.87	356.02	377.38
Refuse removal					101.85	101.85	101.85		106.94	112.29	117.90
Other											
sub-total		-	-	-	1 960.12	1 960.12	1 960.12	7.5%	2 106.77	2 222.35	2 345.63
VAT on Services					215.34	215.34	215.34		248.92	262.23	276.46
Total small household bill:		-	-	-	2 175.46	2 175.46	2 175.46	8.3%	2 355.69	2 484.58	2 622.09
% increase/decrease			-	-	-	-	-		8.3%	5.5%	5.5%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption					329.73	329.73	329.73	6.8%	352.28	378.70	407.10
Water: Basic levy					-	-	-				
Water: Consumption					134.20	134.20	134.20	12.0%	150.30	152.18	154.16
Sanitation											
Refuse removal											
Other											
sub-total		-	-	-	463.93	463.93	463.93	8.3%	502.58	530.88	561.26
VAT on Services					64.95	64.95	64.95		75.39	79.63	84.19
Total small household bill:		-	-	-	528.88	528.88	528.88	9.3%	577.97	610.51	645.45
% increase/decrease			-	-	-	-	-		9.3%	5.6%	5.7%

Criteria used to calculate household bills: 1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water

2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water

3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)

2. Operating expenditure framework

The following table is a high level summary of the 2018/19 budget and MTREF (classified per main type of operating expenditure)

Table 7 Summary of operating expenditure by standard classification item

LIM368 Modimolle-Mookgopong - Table A4 Budgeted Financial Performance (revenue and expenditure)

Lifecare Modems and equipment - Table 1: Budgeted Financial Performance (Revenue and expenditure)											
Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1										
Expenditure By Type											
Employee related costs	2	-	-	159 053	190 673	181 664	181 664	-	202 644	212 164	225 106
Remuneration of councillors				11 980	9 718	9 718	9 718		10 099	10 715	11 369
Debt impairment	3			37 150	26 665	27 198	27 198		39 045	40 711	42 473
Depreciation & asset impairment	2	-	-	51 401	76 947	64 200	64 200	-	60 937	63 777	66 847
Finance charges				5 373	13 575	12 075	12 075		5 727	6 103	6 505
Bulk purchases	2	-	-	142 637	165 491	187 114	187 114	-	196 034	211 717	228 808
Other materials	8			20 681	8 864	49 391	49 391		22 477	24 428	26 549
Contracted services		-	-	15 881	54 080	54 855	54 855	-	67 368	69 551	73 647
Transfers and subsidies		-	-	-	-	-	-	-	890	944	1 000
Other expenditure	4, 5	-	-	35 167	27 756	26 726	26 726	-	28 811	30 580	32 566
Loss on disposal of PPE											
Total Expenditure		-	-	479 322	573 771	612 941	612 941	-	634 030	670 690	714 870

Circular 71 sets the norm for remuneration cost to the total of operating expenditure to be between 24% and 40% with remuneration classified as Employee Related Cost and Councillors Remuneration. The municipality is currently at 33.5%.

The budgeted allocation for employee related costs for the 2018/19 financial year totals R202.6 million, which equals 34 percent of the total operating expenditure. The overtime budget equals 3.7 percent of employee related costs. This is because of aging infrastructure and the expanding of services placing more pressure on our networks. The three year collective SALGBC agreement lapses on the 30th June 2018. Currently there is no exact figure with how much the increase will be. Consideration of the average CPI for the past twelve months (february'17 – jan'18), which is around 5.1%, the SALGA circular plus the facilitator's proposal was used as a guideline when calculating employee related costs. A provision percentage increase of 7 percent for the 2018/19 financial year has been factored into the final budget.

The cost associated with the remuneration of councilors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998).

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R60.9 million for the 2018/19 financial and equates to 9.6 percent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register.

Finance charges consist primarily of the repayment of interest on late payments and finance cost related to provisions. Finance charges make up .9 percent (R5.7 million) of operating expenditure.

The budgeted allocation for Bulk purchases for the 2018/19 financial year totals R196 million, which equals 30.9 percent of the total operating budget. Bulk purchases are directly informed by the purchase of electricity from Eskom, payment of outstanding debt and water from Magalies Water. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

Repair and Maintenance consist of other material and employee related cost to the amount of R91.8 million and equals 14.5% of the operating budget. Contracted services is R25.1 million and employee related cost is R44.1 million. Repair and Maintenance equals 6.8% of the Property, Plant and Equipment, this is below the target of 8% set by National Treasury. The reason for not reaching the target is due to the increase in the Municipalities assets with the implementation of GRAP 17.

3. Cash flow

LIM368 Modimolle-Mookgophong - Table A7 Budgeted Cash Flows

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	-	(83 583)	125 370	(29 295)	102 689	-	(131 127)	(28 382)	(38 926)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	-	(96 023)	(125 231)	(130 331)	(49 526)	-	(160 513)	(126 630)	(133 505)
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	(2 410)	(160)	(160)	(2 909)	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		-	-	(182 016)	(20)	(159 785)	50 254	-	(291 640)	(155 012)	(172 430)
Cash/cash equivalents at the year begin:	2			38 523	522	(143 493)	(143 493)		(93 239)	(384 879)	(539 891)
Cash/cash equivalents at the year end:	2	-	-	(143 493)	502	(303 279)	(93 239)	-	(384 879)	(539 891)	(712 322)

The cash flow budget was calculated using the following assumptions:

The cashflow budget was calculated using an average collection rate on service charges of 68% on outstanding debtors. These rates are based on the actual collection for 2017/18 and on the pre-audited actual for 2016/17.

Based on the above mentioned assumptions the projected net cash from operating activities amounts to R131 million, net cash used from investing activities of a negative R160.5 million, nothing was allocated to net cash used from financing activities as the finance activity(long-term loan) was fully paid in the 2017/18 financial year. The net effect at the end of the period is a negative R384.9 million for the 2018/19 financial year that will increase to a negative R712.3 million in the 2020/21 financial year.

4. Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 8 2017/18 Medium-term capital budget per vote

LIM368 Modimolle-Mookgophong - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description R thousand	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Public Office Bearers		-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget and Treasury		-	-	-	-	-	-	-	-	-	-
Vote 4 - Planning and Economic Development		-	-	-	-	-	-	-	-	-	-
Vote 5 - Technical Services		-	-	82,040	73,387	78,334	13,219	-	114,177	108,500	130,393
Vote 6 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 7 - Community and Social Services		-	-	3,954	7,344	7,875	7,875	-	7,648	18,130	3,112
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	85,994	80,731	86,209	21,093	-	121,826	126,630	133,505
Single-year expenditure to be appropriated	2										
Vote 1 - Public Office Bearers		-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget and Treasury		-	-	-	-	-	-	-	-	-	-
Vote 4 - Planning and Economic Development		-	-	-	-	-	-	-	-	-	-
Vote 5 - Technical Services		-	-	1,195	44,500	44,022	44,022	-	38,687	-	-
Vote 6 - Corporate Services		-	-	-	-	100	100	-	-	-	-
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	1,195	44,500	44,122	44,122	-	38,687	-	-
Total Capital Expenditure - Vote		-	-	87,190	125,231	130,331	65,215	-	160,513	126,630	133,505

For 2018/19 an amount of R160.5 million has been appropriated for the development of infrastructure which represents 100 percent of the total capital budget. In the outer years this amount totals R126 million and R133 million respectively for each of the financial years.

Total new assets represent 31.51 percent or R50.6 million of the total capital budget while asset renewal equates to 9.88 percent or R15.9 million and upgrade on existing



assets represents 58.61 percent or R94 million. Further detail relating to asset classes and proposed capital expenditure is contained in Table 22 MBRR A9 (Asset Management) on page 50. In addition to the MBRR Table A9, MBRR Tables SA34a, b, c, e provides a detailed breakdown of the capital programme relating to new asset construction, capital asset renewal as well as operational repairs and maintenance by asset class.

4. ANNUAL BUDGET TABLES

The information in the following Tables A1 to A10 constitutes the Municipalities budget for the 2018/19 financial year and indicative allocations for the 2019/20 and 2020/21 financial years in terms of section 8 of the Municipal Budget and Reporting Regulations.

The Municipality does not have any entities through which it provides municipal services. Instead, services are provided internally through departments. The key departments are Technical and Social Services. In instances where internal capability is limited, services are provided through external services providers. In such instances, Service Level Agreements are entered into with the service providers. Therefore, the budget tables that follow relate to the budget of the municipality only.

Table 9 MBRR Table A1 - Budget Summary

LIM368 Modimolle-Mookgophong - Table A1 Budget Summary

Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands										
Financial Performance										
Property rates	-	-	55,979	65,378	65,378	65,378	-	103,157	109,213	116,440
Service charges	-	-	193,671	243,399	237,837	237,837	-	222,069	269,487	284,101
Investment revenue	-	-	2,696	3,050	1,550	1,550	-	104	120	150
Transfers recognised - operational	-	-	89,412	105,115	105,115	105,115	-	107,831	114,008	122,544
Other own revenue	-	-	32,566	45,095	47,028	47,028	-	44,588	50,605	53,388
Total Revenue (excluding capital transfers and contributions)	-	-	374,324	462,037	456,907	456,907	-	477,748	543,433	576,623
Employee costs	-	-	159,053	190,673	181,664	181,664	-	202,644	212,164	225,106
Remuneration of councillors	-	-	11,980	9,718	9,718	9,718	-	10,099	10,715	11,369
Depreciation & asset impairment	-	-	51,401	76,947	64,200	64,200	-	60,937	63,777	66,847
Finance charges	-	-	5,373	13,575	12,075	12,075	-	5,727	6,103	6,505
Materials and bulk purchases	-	-	163,318	174,355	236,505	236,505	-	218,511	236,145	255,358
Transfers and grants	-	-	-	-	-	-	-	890	944	1,000
Other expenditure	-	-	88,198	108,501	108,779	108,779	-	135,223	140,842	148,686
Total Expenditure	-	-	479,322	573,771	612,941	612,941	-	634,030	670,690	714,870
Surplus/(Deficit)	-	-	(104,998)	(111,734)	(156,034)	(156,034)	-	(156,282)	(127,257)	(138,247)
Transfers and subsidies - capital (monetary allocated)	-	-	84,289	125,231	130,231	130,231	-	95,935	126,630	133,505
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	-	(20,709)	13,496	(25,804)	(25,804)	-	(60,347)	(626)	(4,742)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	-	-	(20,709)	13,496	(25,804)	(25,804)	-	(60,347)	(626)	(4,742)
Capital expenditure & funds sources										
Capital expenditure	-	-	87,190	125,231	130,331	65,215	-	160,513	126,630	133,505
Transfers recognised - capital	-	-	87,190	125,231	130,231	65,115	-	95,935	126,630	133,505
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	100	100	-	64,578	-	-
Total sources of capital funds	-	-	87,190	125,231	130,331	65,215	-	160,513	126,630	133,505
Financial position										
Total current assets	-	-	253,277	218,711	324,029	318,985	-	399,160	461,165	526,553
Total non current assets	-	-	1,365,368	1,295,214	1,309,716	1,309,716	-	1,485,116	1,460,748	1,524,137
Total current liabilities	-	-	391,813	183,719	590,521	742,175	-	748,684	870,685	948,332
Total non current liabilities	-	-	109,168	101,333	101,333	101,333	-	141,381	146,429	152,519
Community wealth/Equity	-	-	1,117,664	1,228,873	941,892	785,193	-	994,211	904,799	949,839
Cash flows										
Net cash from (used) operating	-	-	(83,583)	125,370	(29,295)	102,689	-	(131,127)	(28,382)	(38,926)
Net cash from (used) investing	-	-	(96,023)	(125,231)	(130,331)	(49,526)	-	(160,513)	(126,630)	(133,505)
Net cash from (used) financing	-	-	(2,410)	(160)	(160)	(2,909)	-	-	-	-
Cash/cash equivalents at the year end	-	-	(143,493)	502	(303,279)	(93,239)	-	(384,879)	(539,891)	(712,322)
Cash backing/surplus reconciliation										
Cash and investments available	-	-	(142,465)	4,846	(288,702)	(288,702)	-	(352,888)	(503,910)	(622,774)
Application of cash and investments	-	-	63,443	(18,054)	37,359	211,935	-	123,537	40,217	(58,884)
Balance - surplus (shortfall)	-	-	(205,908)	22,900	(326,061)	(500,638)	-	(476,425)	(544,127)	(563,889)
Asset management										
Asset register summary (WDV)	-	-	1,345,185	1,295,092	1,314,688	1,314,688	-	1,463,926	1,438,509	1,500,775
Depreciation	-	-	51,401	76,947	64,200	64,200	-	60,937	63,777	66,847
Renewal of Existing Assets	-	-	46,925	5,000	5,069	5,069	-	15,859	35,000	20,000
Repairs and Maintenance	-	-	20,681	62,436	101,130	101,130	-	91,784	97,504	94,475
Free services										
Cost of Free Basic Services provided	-	-	-	7,000	7,000	7,000	7,524	7,524	7,927	8,383
Revenue cost of free services provided	-	-	-	10,503	10,503	10,503	11,286	11,286	12,783	13,486
Households below minimum service level										
Water:	-	-	-	1	1	1	1	1	1	1
Sanitation/sewage:	-	-	-	1	1	1	1	1	1	1
Energy:	-	-	-	1	1	1	1	1	1	1
Refuse:	-	-	-	6	6	6	6	6	6	6

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Municipalities budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is negative over the MTREF.
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. This place the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. Consequently Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

Table 10 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

LIM368 Modimolle-Mookgopong - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		-	-	87 720	103 978	110 099	110 099	148 199	153 878	163 996
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	-	87 720	103 978	110 099	110 099	148 199	153 878	163 996
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	1 828	4 867	3 047	3 047	903	953	1 009
Community and social services		-	-	431	680	850	850	890	939	994
Sport and recreation		-	-	1	3	13	13	13	14	15
Public safety		-	-	1 395	4 184	2 184	2 184	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	173 964	234 927	235 959	235 959	202 305	251 794	266 515
Planning and development		-	-	171 269	226 594	231 594	231 594	199 960	246 978	261 410
Road transport		-	-	2 695	8 333	4 365	4 365	2 345	4 816	5 105
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	195 102	243 496	238 034	238 034	222 275	263 438	278 609
Energy sources		-	-	125 614	162 277	157 264	157 264	133 328	173 494	183 413
Water management		-	-	29 451	42 031	47 182	47 182	53 066	52 363	55 420
Waste water management		-	-	25 024	22 410	16 803	16 803	18 034	18 800	19 898
Waste management		-	-	15 012	16 778	16 785	16 785	17 847	18 780	19 877
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	-	458 613	587 267	587 138	587 138	573 683	670 063	710 128
Expenditure - Functional										
<i>Governance and administration</i>		-	-	140 116	174 819	165 608	165 608	205 500	216 974	226 710
Executive and council		-	-	19 978	46 144	33 735	33 735	39 107	41 983	42 879
Finance and administration		-	-	117 059	125 758	129 062	129 062	163 352	171 151	179 756
Internal audit		-	-	3 078	2 916	2 811	2 811	3 041	3 840	4 075
<i>Community and public safety</i>		-	-	25 078	26 089	21 632	21 632	27 007	31 364	33 286
Community and social services		-	-	13 179	8 826	9 420	9 420	9 154	16 520	17 532
Sport and recreation		-	-	9 419	13 031	11 653	11 653	14 029	11 750	12 469
Public safety		-	-	2 481	4 233	559	559	3 824	3 095	3 284
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	69 077	75 247	83 817	83 817	75 764	104 017	107 718
Planning and development		-	-	23 990	18 048	22 085	22 085	18 457	24 160	23 102
Road transport		-	-	45 087	57 198	61 732	61 732	57 307	79 857	84 616
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	245 051	297 616	341 884	341 884	325 760	318 335	347 155
Energy sources		-	-	166 734	196 800	223 516	223 516	215 606	204 365	223 177
Water management		-	-	39 197	48 694	61 537	61 537	64 284	66 955	71 408
Waste water management		-	-	12 871	22 003	30 524	30 524	18 020	12 166	13 058
Waste management		-	-	26 248	30 119	26 308	26 308	27 850	34 849	39 512
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	-	479 322	573 771	612 941	612 941	634 030	670 690	714 870
Surplus/(Deficit) for the year		-	-	(20 709)	13 496	(25 804)	(25 804)	(60 347)	(626)	(4 742)



Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is the case for Waste water management function in the 2018/19 to 2020/21 financial year.
4. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources.

Table 11 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

LIM368 Modimolle-Mookgopong - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description		Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote		1									
Vote 1 - Public Office Bearers			-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager			-	-	-	70	70	70	74	77	81
Vote 3 - Budget and Treasury			-	-	87 350	102 919	108 940	108 940	146 983	151 967	161 976
Vote 4 - Planning and Economic Development			-	-	85 502	99 404	99 404	99 404	102 134	109 248	115 628
Vote 5 - Technical Services			-	-	265 856	353 908	353 438	353 438	302 254	383 164	405 332
Vote 6 - Corporate Services			-	-	370	989	1 089	1 089	1 142	1 197	1 267
Vote 7 - Community and Social Services			-	-	19 535	29 978	24 197	24 197	21 095	24 410	25 844
Vote 8 - [NAME OF VOTE 8]			-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]			-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]			-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]			-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]			-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]			-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	-
Total Revenue by Vote		2	-	-	458 613	587 267	587 138	587 138	573 683	670 063	710 128
Expenditure by Vote to be appropriated		1									
Vote 1 - Public Office Bearers			-	-	13 438	16 301	15 186	15 186	16 250	16 231	17 151
Vote 2 - Municipal Manager			-	-	15 441	39 005	27 522	27 522	32 551	36 856	37 512
Vote 3 - Budget and Treasury			-	-	67 698	64 971	63 949	63 949	81 692	96 306	100 311
Vote 4 - Planning and Economic Development			-	-	22 481	16 010	20 090	20 090	16 338	21 918	20 730
Vote 5 - Technical Services			-	-	254 478	313 090	366 072	366 072	343 532	351 772	379 972
Vote 6 - Corporate Services			-	-	43 538	54 543	58 951	58 951	75 007	67 581	71 736
Vote 7 - Community and Social Services			-	-	62 247	69 851	61 172	61 172	68 661	80 026	87 457
Vote 8 - [NAME OF VOTE 8]			-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]			-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]			-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]			-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]			-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]			-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		2	-	-	479 322	573 771	612 941	612 941	634 030	670 690	714 870
Surplus/(Deficit) for the year		2	-	-	(20 709)	13 496	(25 804)	(25 804)	(60 347)	(626)	(4 742)

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

- Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.

Table 12 MBRR Table A4 - Budgeted Financial Performance

LIM368 Modimolle-Mookgopong - Table A4 Budgeted Financial Performance (revenue and expenditure)

Limbang Medium-Term Budgetary Framework - Table A4 Budgeted Financial Performance (Revenue and Expenditure)											
Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1										
Revenue By Source											
Property rates	2	-	-	55 979	65 378	65 378	65 378	-	103 157	109 213	116 440
Service charges - electricity revenue	2	-	-	124 260	162 181	157 067	157 067	-	133 122	177 671	187 292
Service charges - water revenue	2	-	-	29 379	42 031	47 182	47 182	-	53 066	53 468	56 349
Service charges - sanitation revenue	2	-	-	25 024	22 410	16 803	16 803	-	18 034	19 285	20 347
Service charges - refuse revenue	2	-	-	15 008	16 778	16 785	16 785	-	17 847	19 064	20 113
Service charges - other											
Rental of facilities and equipment				247	608	698	698		729	768	810
Interest earned - external investments				2 696	3 050	1 550	1 550		104	120	150
Interest earned - outstanding debtors				24 608	29 707	34 707	34 707		36 897	38 890	41 029
Dividends received				-	-	-	-		-	-	-
Fines, penalties and forfeits				400	161	561	561		446	660	697
Licences and permits				2 292	8 173	3 805	3 805		1 900	4 668	4 925
Agency services											
Transfers and subsidies				89 412	105 115	105 115	105 115		107 831	114 008	122 544
Other revenue	2	-	-	5 019	6 445	7 256	7 256	-	4 616	5 619	5 928
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		-	-	374 324	462 037	456 907	456 907	-	477 748	543 433	576 623
Expenditure By Type											
Employee related costs	2	-	-	159 053	190 673	181 664	181 664	-	202 644	212 164	225 106
Remuneration of councillors				11 980	9 718	9 718	9 718		10 099	10 715	11 369
Debt impairment	3			37 150	26 665	27 198	27 198		39 045	40 711	42 473
Depreciation & asset impairment	2	-	-	51 401	76 947	64 200	64 200	-	60 937	63 777	66 847
Finance charges				5 373	13 575	12 075	12 075		5 727	6 103	6 505
Bulk purchases	2	-	-	142 637	165 491	187 114	187 114	-	196 034	211 717	228 808
Other materials	8			20 681	8 864	49 391	49 391		22 477	24 428	26 549
Contracted services		-	-	15 881	54 080	54 855	54 855	-	67 368	69 551	73 647
Transfers and subsidies		-	-	-	-	-	-	-	890	944	1 000
Other expenditure	4, 5	-	-	35 167	27 756	26 726	26 726	-	28 811	30 580	32 566
Loss on disposal of PPE											
Total Expenditure		-	-	479 322	573 771	612 941	612 941	-	634 030	670 690	714 870
Surplus/(Deficit)											
		-	-	(104 998)	(111 734)	(156 034)	(156 034)	-	(156 282)	(127 257)	(138 247)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)				84 289	125 231	130 231	130 231		95 935	126 630	133 505
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)											
Transfers and subsidies - capital (in-kind - all)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		-	-	(20 709)	13 496	(25 804)	(25 804)	-	(60 347)	(626)	(4 742)
Taxation											
Surplus/(Deficit) after taxation		-	-	(20 709)	13 496	(25 804)	(25 804)	-	(60 347)	(626)	(4 742)
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		-	-	(20 709)	13 496	(25 804)	(25 804)	-	(60 347)	(626)	(4 742)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		-	-	(20 709)	13 496	(25 804)	(25 804)	-	(60 347)	(626)	(4 742)

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R477.7 million in 2018/19 and increases to R576.6 million by 2020/21. This represents a increase of 4 percent when comparing the 2017/18 adjusted budget and the 2018/19 annual budget. The main drive for slight increase in the revenue collection is the revenue raising mechanisms the municipality intends implementeting in the MTREF period.
2. Revenue to be generated from property rates is R103.1 million in the 2018/19 financial year and increases to R109.2 million by 2019/20 which represents 21 percent of the operating revenue base of the Municipality and therefore remains a significant funding source for the municipality.
3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the Municipality totaling R222 million for the 2018/19 financial year and increasing to R284 million by 2020/21. For the 2018/19 financial year services charges amount to 46.5 percent of the total revenue base.
4. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are increasing by 2 percent for the 2018/19 and 7 percent for 2020/21 outer years.
5. The following graph illustrates the major expenditure items per type.

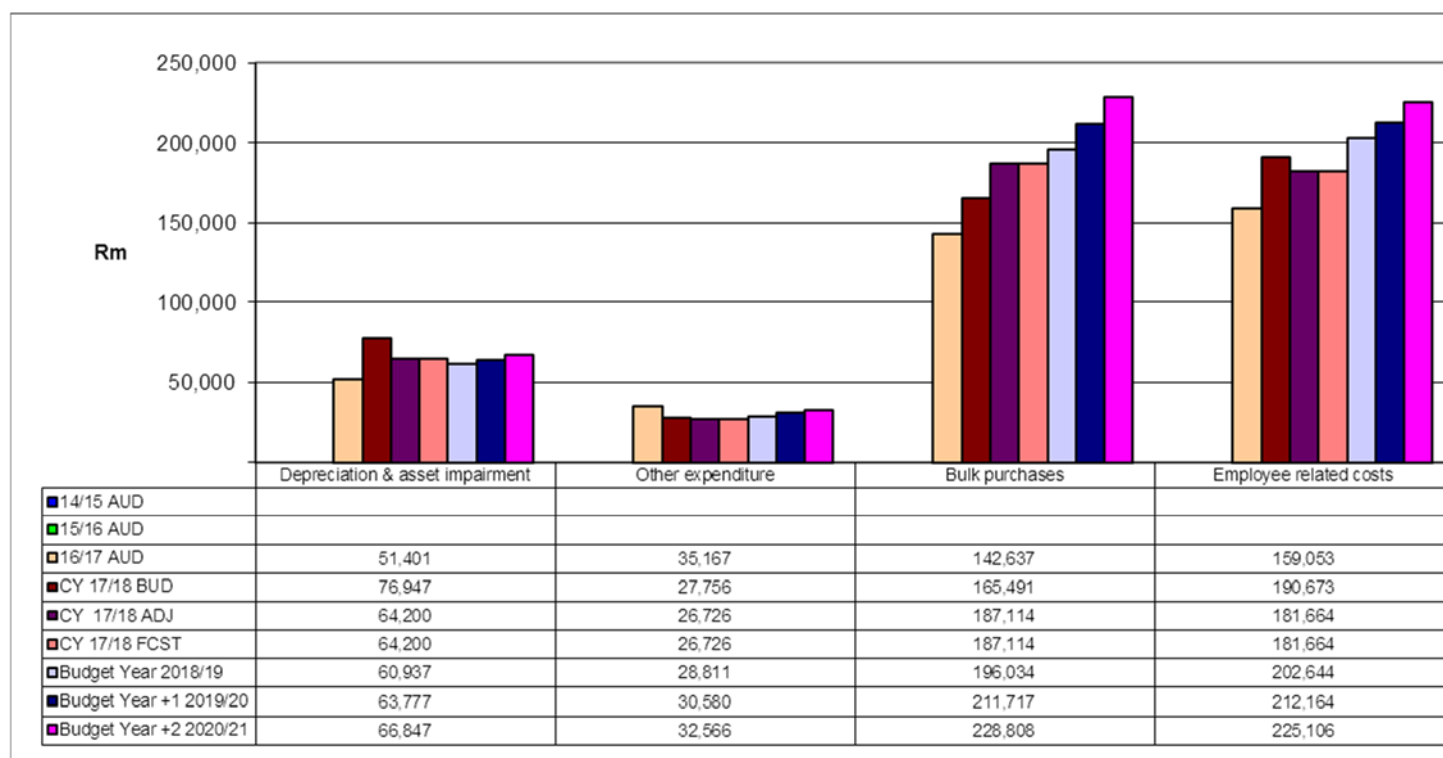


Figure 1 Expenditure by major type

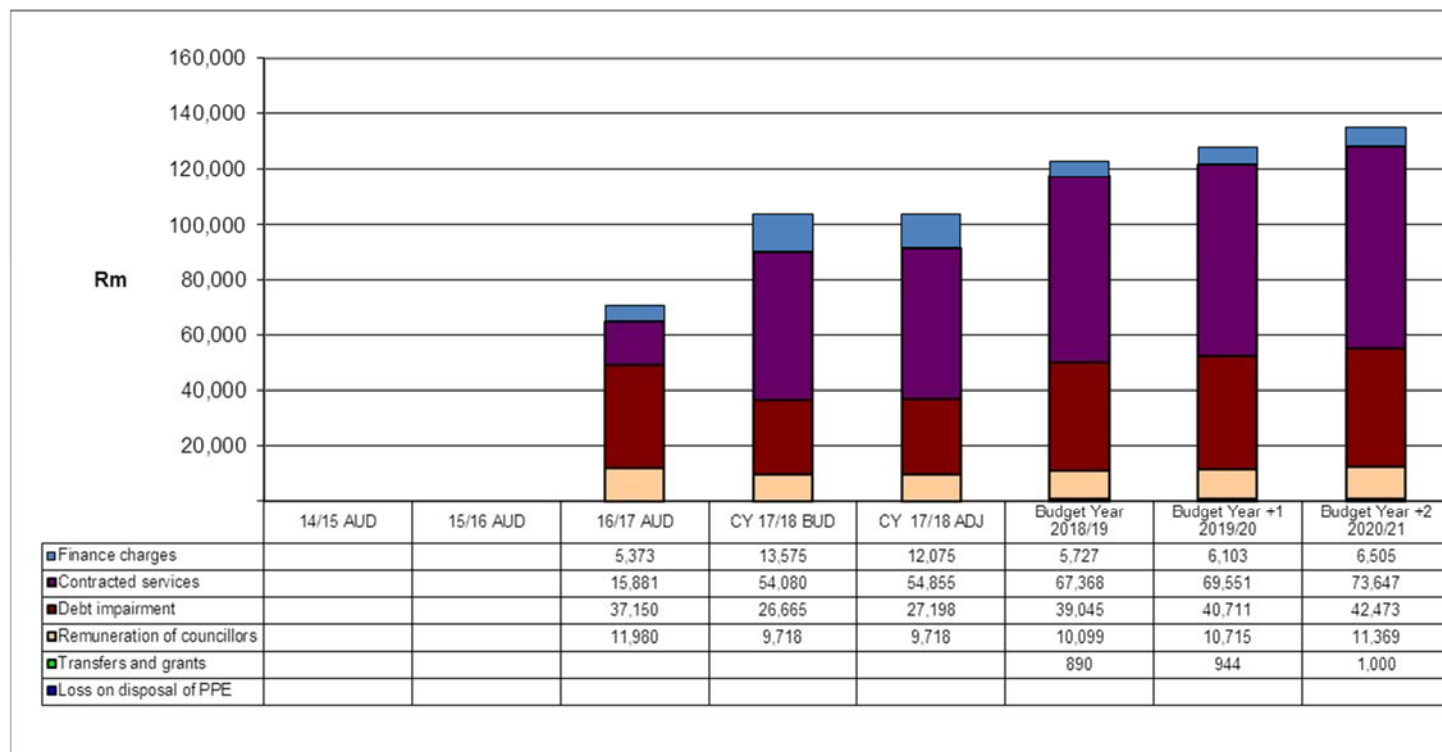


Figure 2 Expenditure by minor type

- Bulk purchases have significantly increased over the 2018/19 to 2020/21 period escalating from R196 million to R228.8 million. These increases can be attributed to the substantial increase in the cost of bulk electricity, outstanding debt from Eskom and water from Magalies Water board.
- Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.
- The table below indicate the percentage spend/budgeted by type of expenditure.



Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework					
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19		Budget Year +1 2019/20		Budget Year +2 2020/21	
Expenditure By Type													
Employee related costs	-	-	159 053	190 673	181 664	181 664	-	202 644	32%	212 164	32%	225 106	31%
Remuneration of councillors			11 980	9 718	9 718	9 718		10 099	2%	10 715	2%	11 369	2%
Debt impairment			37 150	26 665	27 198	27 198		39 045	6%	40 711	6%	42 473	6%
Depreciation & asset impairment	-	-	51 401	76 947	64 200	64 200	-	60 937	10%	63 777	10%	66 847	9%
Finance charges			5 373	13 575	12 075	12 075		5 727	1%	6 103	1%	6 505	1%
Bulk purchases	-	-	142 637	165 491	187 114	187 114	-	196 034	31%	211 717	32%	228 808	32%
Other materials			20 681	8 864	49 391	49 391		22 477	4%	24 428	4%	26 549	4%
Contracted services	-	-	15 881	54 080	54 855	54 855	-	67 368	11%	69 551	10%	73 647	10%
Transfers and subsidies	-	-	-	-	-	-	-	890	0%	944	0%	1 000	0%
Other expenditure	-	-	35 167	27 756	26 726	26 726	-	28 811	5%	30 580	5%	32 566	5%
Loss on disposal of PPE													
Total Expenditure	-	-	479 322	573 771	612 941	612 941	-	634 030	100%	670 690	100%	714 870	100%

The following expenditure type's equals to more than 64.5% of the operating budget and are fixed overhead expenditure:

- Employee Cost
- Councilors Remuneration
- Bulk Purchases

Other Expenditure increase from 7.8% in the 2018/19 financial year and decreasing to 6.5% in 2020/21 financial year.

Table 13 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding

LIM368 Modimolle-Mookgophong - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Public Office Bearers		-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget and Treasury		-	-	-	-	-	-	-	-	-	-
Vote 4 - Planning and Economic Development		-	-	-	-	-	-	-	-	-	-
Vote 5 - Technical Services		-	-	82,040	73,387	78,334	13,219	-	114,177	108,500	130,393
Vote 6 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 7 - Community and Social Services		-	-	3,954	7,344	7,875	7,875	-	7,648	18,130	3,112
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	85,994	80,731	86,209	21,093	-	121,826	126,630	133,505
Single-year expenditure to be appropriated	2										
Vote 1 - Public Office Bearers		-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget and Treasury		-	-	-	-	-	-	-	-	-	-
Vote 4 - Planning and Economic Development		-	-	-	-	-	-	-	-	-	-
Vote 5 - Technical Services		-	-	1,195	44,500	44,022	44,022	-	38,687	-	-
Vote 6 - Corporate Services		-	-	-	-	100	100	-	-	-	-
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	1,195	44,500	44,122	44,122	-	38,687	-	-
Total Capital Expenditure - Vote		-	-	87,190	125,231	130,331	65,215	-	160,513	126,630	133,505
Capital Expenditure - Functional											
Governance and administration		-	-	-	-	100	100	-	-	-	-
Executive and council											
Finance and administration				-		100	100				
Internal audit											
Community and public safety		-	-	2,769	2,844	2,528	2,528	-	-	-	-
Community and social services				2,769	2,844	2,528	2,528				
Sport and recreation											
Public safety											
Housing											
Health											
Economic and environmental services		-	-	28,717	10,262	14,431	14,431	-	11,623	-	-
Planning and development											
Road transport				28,717	10,262	14,431	14,431		11,623	-	-
Environmental protection											
Trading services		-	-	55,703	112,125	113,271	48,156	-	148,890	126,630	133,505
Energy sources				5,572	8,000	8,000	8,000		10,000	-	-
Water management				38,888	60,817	50,035	17,478		74,129	98,500	100,393
Waste water management				10,059	38,808	49,889	17,331		57,112	10,000	30,000
Waste management				1,185	4,500	5,347	5,347		7,648	18,130	3,112
Other											
Total Capital Expenditure - Functional	3	-	-	87,190	125,231	130,331	65,215	-	160,513	126,630	133,505
Funded by:											
National Government				87,190	125,231	130,231	65,115		95,935	126,630	133,505
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	-	-	87,190	125,231	130,231	65,115	-	95,935	126,630	133,505
Public contributions & donations	5										
Borrowing	6										
Internally generated funds				-		100	100		64,578		
Total Capital Funding	7	-	-	87,190	125,231	130,331	65,215	-	160,513	126,630	133,505



Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations, for 2018/19 R121.8 million has been allocated of the total R160.5 million capital budget, which totals 75.88 percent. This allocation increases to R126.6 million in 2019/20 and increase to R133.5 million in 2020/21.
3. Single-year capital expenditure has been appropriated at R38.7 million for the 2018/19 financial.
4. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
5. The capital programme may be funded from grants and transfers and internal revenue. For 2018/19, capital transfers totals R95.9 million (59.77 percent) and own funding totals R64.6 million(40.23) and capital budget increases to R133.5 million by 2020/21 (100 percent). The increase is due to the fact that the Municipal Infrastructure Grant allocation increases from R37.8 million for the 2018/19 financial year to R40.6 million in the 2020/21 financial year. The Municipality is also receiving an amount of R50 million in the 2018/19 financial year from the Water Services Infrastructure Grant.

Table 14 MBRR Table A6 - Budgeted Financial Position

LIM368 Modimolle-Mookgopong - Table A6 Budgeted Financial Position

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
ASSETS											
Current assets											
Cash				11 460	1 340	1 340	1 340		12 045	12 695	13 393
Call investment deposits	1	-	-	900	3 384	3 384	3 384	-	1 700	2 900	5 900
Consumer debtors	1	-	-	212 364	196 969	302 287	297 243	-	368 769	426 356	487 535
Other debtors				23 254	8 398	8 398	8 398		8 826	9 303	9 815
Current portion of long-term receivables				-	430	430	430		430	430	430
Inventory	2			5 300	8 190	8 190	8 190		7 390	9 481	9 481
Total current assets		-	-	253 277	218 711	324 029	318 985	-	399 160	461 165	526 553
Non current assets											
Long-term receivables											
Investments				128	122	128	128		138	150	163
Investment property				17 207	10 713	10 713	10 713		18 085	19 061	20 109
Investment in Associate											
Property, plant and equipment	3	-	-	1 345 185	1 281 653	1 296 149	1 296 149	-	1 463 926	1 438 509	1 500 775
Agricultural											
Biological											
Intangible				2 666	2 726	2 726	2 726		2 786	2 847	2 909
Other non-current assets				181					181	181	181
Total non current assets		-	-	1 365 368	1 295 214	1 309 716	1 309 716	-	1 485 116	1 460 748	1 524 137
TOTAL ASSETS		-	-	1 618 645	1 513 925	1 633 745	1 628 701	-	1 884 276	1 921 913	2 050 691
LIABILITIES											
Current liabilities											
Bank overdraft	1			154 953		293 555	293 555		366 771	519 655	642 230
Borrowing	4	-	-	151	500	500	500	-	-	-	-
Consumer deposits				7 332	8 980	8 980	8 980		8 677	8 677	8 677
Trade and other payables	4	-	-	227 907	167 421	282 068	433 722	-	371 736	340 823	295 865
Provisions				1 470	6 818	5 418	5 418		1 499	1 529	1 560
Total current liabilities		-	-	391 813	183 719	590 521	742 175	-	748 684	870 685	948 332
Non current liabilities											
Borrowing		-	-	38 014	4 000	4 000	4 000	-	42 102	45 164	49 229
Provisions		-	-	71 155	97 333	97 333	97 333	-	99 279	101 265	103 290
Total non current liabilities		-	-	109 168	101 333	101 333	101 333	-	141 381	146 429	152 519
TOTAL LIABILITIES		-	-	500 981	285 052	691 854	843 508	-	890 066	1 017 114	1 100 851
NET ASSETS	5	-	-	1 117 664	1 228 873	941 892	785 193	-	994 211	904 799	949 839
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)				1 117 181	1 228 873	941 892	785 193		994 211	904 799	949 839
Reserves	4	-	-	483	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	-	-	1 117 664	1 228 873	941 892	785 193	-	994 211	904 799	949 839

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table 26 is supported by an extensive table of notes (SA3 which can be found on page 62) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current;
 - Changes in net assets; and
 - Reserves
4. Included in Trade and other payables are the following classes of current liabilities:
 - Trade payables
 - Debtors with credit balances
 - Retention
 - Leave provision
 - Other Creditors e.g Unknown deposits
5. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
6. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 15 MBRR Table A7 - Budgeted Cash Flows

LIM368 Modimolle-Mookgopong - Table A7 Budgeted Cash Flows

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates				70 700	62 109	52 302	48 053		75 305	79 726	85 001
Service charges				119 988	233 546	190 270	200 320		170 814	211 550	232 431
Other revenue				6 303	15 325	33 237	11 928		4 882	7 390	9 143
Government - operating	1			89 412	105 115	105 115	105 115		107 831	114 008	122 544
Government - capital	1			75 908	125 231	125 231	130 231		95 935	126 630	133 505
Interest				27 304	11 962	8 680	1 550		5 638	23 906	29 568
Dividends									-	-	-
Payments											
Suppliers and employees				(467 824)	(425 911)	(542 223)	(382 432)		(590 144)	(590 068)	(649 507)
Finance charges				(5 373)	(2 006)	(1 906)	(12 075)		(498)	(580)	(610)
Transfers and Grants	1								(890)	(944)	(1 000)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	-	(83 583)	125 370	(29 295)	102 689	-	(131 127)	(28 382)	(38 926)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE									-	-	-
Decrease (Increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables									-	-	-
Decrease (increase) in non-current investments				(9)					-	-	-
Payments											
Capital assets				(96 014)	(125 231)	(130 331)	(49 526)		(160 513)	(126 630)	(133 505)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	-	(96 023)	(125 231)	(130 331)	(49 526)	-	(160 513)	(126 630)	(133 505)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing									-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing				(2 410)	(160)	(160)	(2 909)		-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	(2 410)	(160)	(160)	(2 909)	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		-	-	(182 016)	(20)	(159 785)	50 254	-	(291 640)	(155 012)	(172 430)
Cash/cash equivalents at the year begin:	2			38 523	522	(143 493)	(143 493)		(93 239)	(384 879)	(539 891)
Cash/cash equivalents at the year end:	2	-	-	(143 493)	502	(303 279)	(93 239)	-	(384 879)	(539 891)	(712 322)

Table 16 MBRR Table A8 - Cash Backed Reserves / Accumulated Surplus Reconciliation

LIM368 Modimolle-Mookgopong - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	-	-	(143 493)	502	(303 279)	(93 239)	-	(384 879)	(539 891)	(712 322)
Other current investments > 90 days		-	-	900	4 222	14 448	(195 592)	-	31 852	35 831	89 385
Non current assets - Investments	1	-	-	128	122	128	128	-	138	150	163
Cash and investments available:		-	-	(142 465)	4 846	(288 702)	(288 702)	-	(352 888)	(503 910)	(622 774)
Application of cash and investments											
Unspent conditional transfers		-	-	18 790	-	8 100	68 265	-	68 265	68 265	68 265
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2					4 948	4 948		6 584	949	1 504
Other working capital requirements	3	-	-	44 653	(18 054)	24 310	133 304	-	47 189	(30 527)	(130 213)
Other provisions							5 418		1 499	1 529	1 560
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		-	-	63 443	(18 054)	37 359	211 935	-	123 537	40 217	(58 884)
Surplus(shortfall)		-	-	(205 908)	22 900	(326 061)	(500 638)	-	(476 425)	(544 127)	(563 889)

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The 2018/19 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.
4. Cash and cash equivalents totals negative R384.9 million as at the end of the 2018/19 financial year and increases to a negative R712.3 million by 2019/20. The negative effect on the closing balance originates from the 2016/17 pre-audited AFS (cash and cash equivalent at year end of -143,493,262) which was carried forward as the opening balance for 2017/18 financial year.
5. Although the cash and cash equivalents increases over the medium term the municipality are faced with the concern that not all creditors can be paid because of the low collection rate.

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would directly indicate that the annual budget is not appropriately funded.
5. As part of the budgeting and planning guidelines that informed the compilation of the 2017/18 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA. The table is indicating that the municipality will have a shortfall in the 2018/19 to 2020/21 financial years. The municipality will need to increase its revenue collection in this budget to afford the following year's budget.



Table 17 MBRR Table A9 - Asset Management

LIM368 Modimolle-Mookgopong - Table A9 Asset Management

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	-	-	40,265	52,054	68,198	22,693	50,566	38,130	23,062
Roads Infrastructure		-	-	10,744	6,902	10,431	-	11,623	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	1,170	4,000	4,000	4,000	3,500	-	-
Water Supply Infrastructure		-	-	16,051	16,000	17,075	4,181	14,432	20,000	19,950
Sanitation Infrastructure		-	-	8,346	17,808	28,717	6,537	13,363	-	-
Solid Waste Infrastructure		-	-	1,185	4,500	5,347	5,347	7,648	18,130	3,112
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	37,496	49,210	65,570	20,065	50,566	38,130	23,062
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	2,769	2,844	2,528	2,528	-	-	-
Community Assets		-	-	2,769	2,844	2,528	2,528	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	100	100	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	-	-	46,925	5,000	5,069	5,069	15,859	35,000	20,000
Roads Infrastructure		-	-	17,973	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	4,402	-	-	-	6,500	-	-
Water Supply Infrastructure		-	-	22,837	-	69	69	302	30,000	10,000
Sanitation Infrastructure		-	-	1,712	5,000	5,000	5,000	9,057	5,000	10,000
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	46,925	5,000	5,069	5,069	15,859	35,000	20,000
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-



Total Upgrading of Existing Assets	6	-	-	-	68,177	57,064	37,454	94,087	53,500	90,443
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	3,360	4,000	4,000	-	-	-
Electrical Infrastructure		-	-	-	4,000	4,000	4,000	-	-	-
Water Supply Infrastructure		-	-	-	44,817	32,892	13,282	59,396	48,500	70,443
Sanitation Infrastructure		-	-	-	16,000	16,172	16,172	34,692	5,000	20,000
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	68,177	57,064	37,454	94,087	53,500	90,443
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	-	-	-	-	-	-	-	-	-
Roads Infrastructure		-	-	28,717	6,902	10,431	-	11,623	-	-
Storm water Infrastructure		-	-	-	3,360	4,000	4,000	-	-	-
Electrical Infrastructure		-	-	5,572	8,000	8,000	8,000	10,000	-	-
Water Supply Infrastructure		-	-	38,888	60,817	50,035	17,531	74,129	98,500	100,393
Sanitation Infrastructure		-	-	10,059	38,808	49,889	27,709	57,112	10,000	30,000
Solid Waste Infrastructure		-	-	1,185	4,500	5,347	5,347	7,648	18,130	3,112
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	84,421	122,387	127,702	62,587	160,513	126,630	133,505
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	2,769	2,844	2,528	2,528	-	-	-
Community Assets		-	-	2,769	2,844	2,528	2,528	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	100	100	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		-	-	87,190	125,231	130,330	65,215	160,513	126,630	133,505



ASSET REGISTER SUMMARY - PPE (WDV)	5									
Roads Infrastructure			321,171	232,375	237,059	237,059	264,624	272,737	288,196	
Storm water Infrastructure			-	25,724	26,242	26,242	29,294	30,192	31,903	
Electrical Infrastructure			124,026	122,670	125,142	125,142	139,694	143,977	152,137	
Water Supply Infrastructure			161,095	175,510	179,047	179,047	241,496	205,994	217,670	
Sanitation Infrastructure			150,264	149,071	157,076	157,076	198,289	180,716	190,959	
Solid Waste Infrastructure			1,737	10,793	11,011	11,011	12,291	12,668	13,386	
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure										
Infrastructure		-	758,294	716,143	735,577	735,577	885,687	846,283	894,252	
Community Facilities			535,771	491,976	491,976	491,976	491,235	503,077	515,222	
Sport and Recreation Facilities			20,413	19,962	19,962	19,962	19,932	20,413	20,906	
Community Assets		-	556,184	511,938	511,938	511,938	511,168	523,490	536,128	
Heritage Assets				62	62	62	62	62	62	
Revenue Generating				4,530	4,530	4,530	4,523	4,632	4,744	
Non-revenue Generating				6,183	6,183	6,183	6,173	6,322	6,475	
Investment properties		-	-	10,713	10,713	10,713	10,697	10,954	11,219	
Operational Buildings			21,180	46,443	46,443	46,443	46,374	47,491	48,638	
Housing				1,691	1,691	1,691	1,689	1,729	1,771	
Other Assets		-	21,180	48,135	48,135	48,135	48,062	49,221	50,409	
Biological or Cultivated Assets										
Servitudes			3,641	2,642	2,642	2,642	2,638	2,702	2,767	
Licences and Rights				84	84	84	84	86	88	
Intangible Assets		-	3,641	2,726	2,726	2,726	2,722	2,788	2,855	
Computer Equipment										
Furniture and Office Equipment			645	1,237	1,337	1,337	1,335	1,416	1,452	
Machinery and Equipment			758	731	731	731	730	748	766	
Transport Assets			4,484	3,469	3,469	3,469	3,464	3,547	3,633	
Libraries										
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	-	-	1,345,185	1,295,092	1,314,688	1,314,688	1,463,926	1,438,509	1,500,775
EXPENDITURE OTHER ITEMS										
Depreciation	7	-	-	51,401	76,947	64,200	64,200	60,937	63,777	66,847
Repairs and Maintenance by Asset Class	3	-	-	20,681	62,436	101,130	101,130	91,784	97,504	94,475
Roads Infrastructure		-	-	780	13,582	27,339	27,339	24,413	25,936	25,063
Storm water Infrastructure		-	-	100	878	1,679	1,679	1,499	1,593	1,539
Electrical Infrastructure		-	-	4,896	16,837	31,209	31,209	28,047	29,797	28,813
Water Supply Infrastructure		-	-	8,748	17,848	24,593	24,593	21,961	23,331	22,545
Sanitation Infrastructure		-	-	2,701	9,636	12,656	12,656	11,301	12,006	11,602
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	17,225	58,781	97,475	97,475	87,220	92,662	89,562
Community Facilities		-	-	220	120	120	120	107	114	110
Sport and Recreation Facilities		-	-	112	271	271	271	242	257	248
Community Assets		-	-	333	397	397	397	349	377	358
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	728	732	732	732	653	694	671
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	728	732	732	732	653	694	671
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	407	407	407	363	386	373
Intangible Assets		-	-	-	407	407	407	363	386	373
Computer Equipment		-	-	52	515	515	515	460	489	472
Furniture and Office Equipment		-	-	70	421	421	421	376	399	386
Machinery and Equipment		-	-	2,272	1,189	1,189	1,189	1,362	1,444	1,530
Transport Assets		-	-	-	-	-	-	1,000	1,060	1,124
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		-	-	72,081	139,383	165,330	165,330	152,721	161,280	161,322
Renewal and upgrading of Existing Assets as % of total capex		0.0%	0.0%	53.8%	58.4%	47.7%	65.2%	68.5%	69.9%	82.7%
Renewal and upgrading of Existing Assets as % of deprec		0.0%	0.0%	91.3%	95.1%	96.8%	66.2%	180.4%	138.8%	165.2%
R&M as a % of PPE		0.0%	0.0%	1.5%	4.9%	7.8%	7.8%	6.3%	6.8%	6.3%
Renewal and upgrading and R&M as a % of PPE		0.0%	0.0%	5.0%	10.0%	12.0%	11.0%	14.0%	13.0%	14.0%



Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. The Municipality unbundled its infrastructure assets in the 2010 and 2011 financial year. This resulted in an increase in the PPE value. The municipality takes note of the National Treasury Circular No. 55 that Repair and Maintenance must be at least 8% of the PPE value but this cannot be done in 5 financial years. The repair and maintenance for 2018/19 is 7.8% of PPE and decreases to 6.3% in the 2020/21 financial year.
3. The repair and maintenance plus renewal capital budget percentage increased from the 2018/19 financial year. In the 2018/19 financial year it is 14% of PPE and remains the same until in the 2020/21 financial.

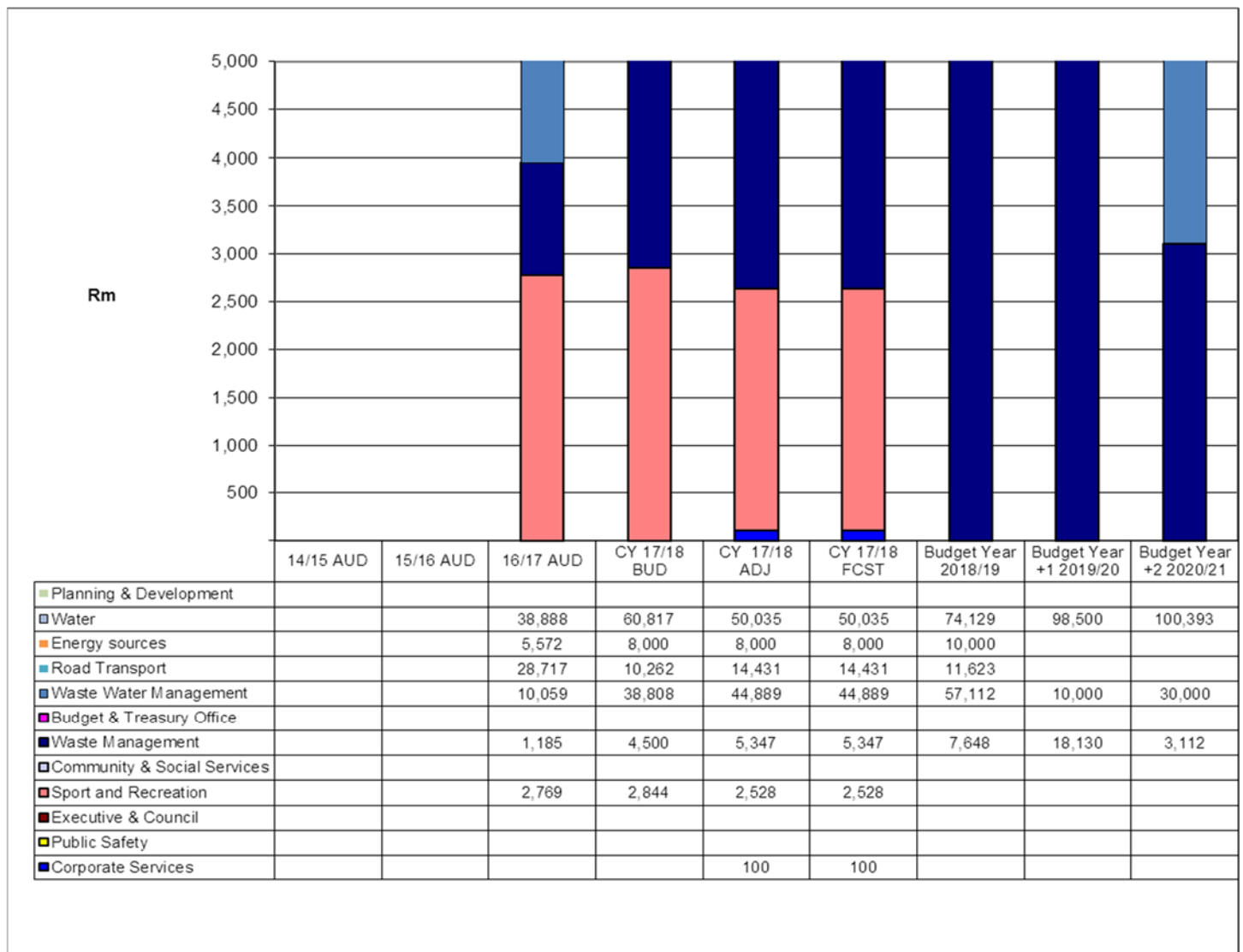




Figure 3 Capital by standard classification

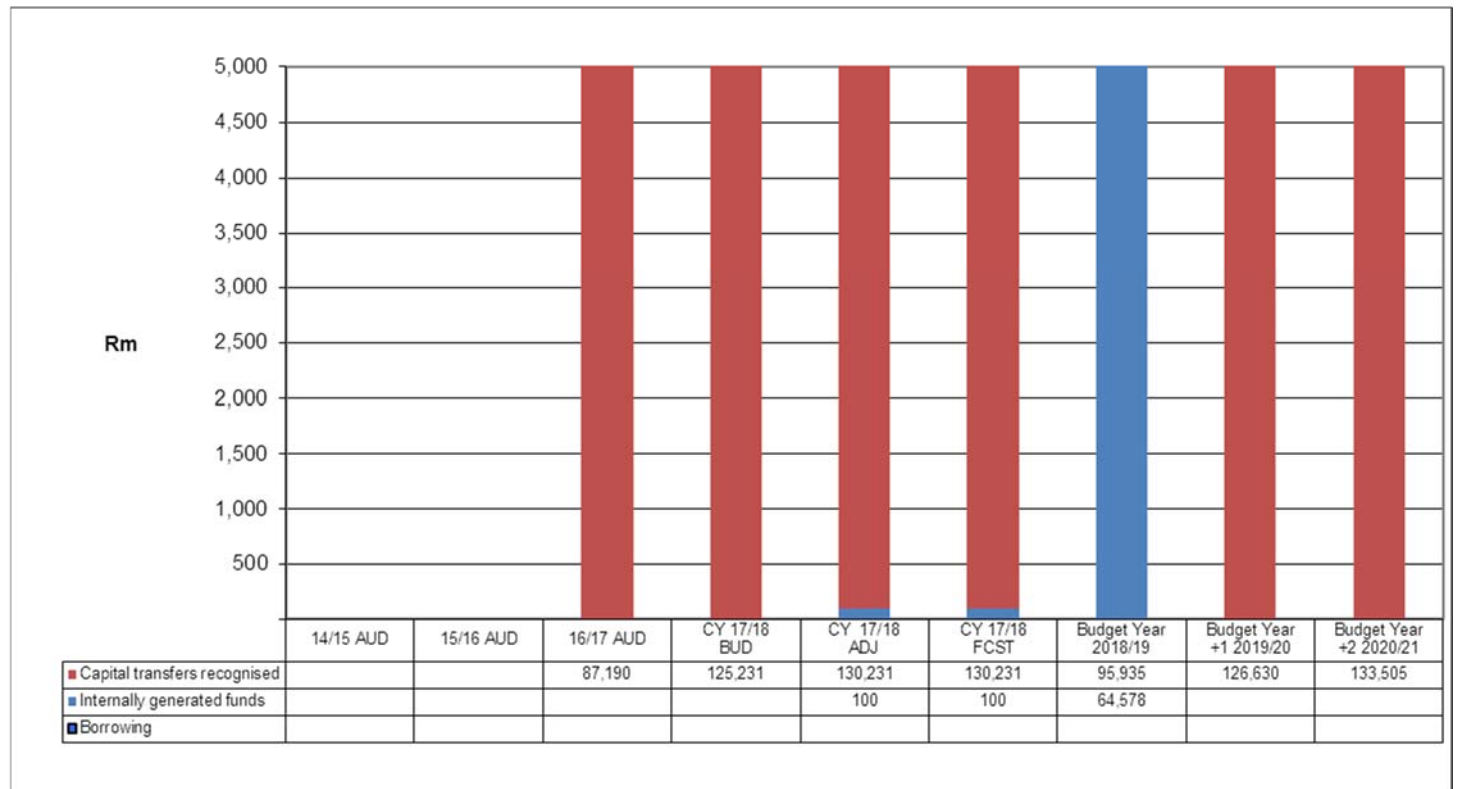


Figure 4 Capital Funding by Source

Table 18 MBRR Table A10 - Basic Service Delivery Measurement

LIM368 Modimolle-Mookgophong - Table A10 Basic service delivery measurement

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Household service targets	1									
<u>Water:</u>										
Piped water inside dwelling		-	-	-	21 649	21 649	21 649	21 649	21 649	21 649
Piped water inside yard (but not in dwelling)		-	-	-	4 944	4 944	4 944	4 944	4 944	4 944
Using public tap (at least min.service level)	2	-	-	-	1 616	1 616	1 616	1 616	1 616	1 616
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>					28 209	28 209	28 209	28 209	28 209	28 209
Using public tap (< min.service level)	3	-	-	-	277	277	277	277	277	277
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	257	257	257	257	257	257
<i>Below Minimum Service Level sub-total</i>					534	534	534	534	534	534
Total number of households	5	-	-	-	28 743	28 743	28 743	28 743	28 743	28 743
<u>Sanitation/sewerage:</u>										
Flush toilet (connected to sewerage)		-	-	-	23 613	23 613	23 613	23 613	23 613	23 613
Flush toilet (with septic tank)		-	-	-	525	525	525	525	525	525
Chemical toilet		-	-	-	86	86	86	86	86	86
Pit toilet (ventilated)		-	-	-	1 614	1 614	1 614	1 614	1 614	1 614
Other toilet provisions (> min.service level)		-	-	-	1 917	1 917	1 917	1 917	1 917	1 917
<i>Minimum Service Level and Above sub-total</i>					27 755	27 755	27 755	27 755	27 755	27 755
Bucket toilet		-	-	-	195	195	195	195	195	195
Other toilet provisions (< min.service level)		-	-	-	262	262	262	262	262	262
No toilet provisions		-	-	-	527	527	527	527	527	527
<i>Below Minimum Service Level sub-total</i>					984	984	984	984	984	984
Total number of households	5	-	-	-	28 739	28 739	28 739	28 739	28 739	28 739
<u>Energy:</u>										
Electricity (at least min.service level)		-	-	-	13 035	13 035	13 035	13 035	13 035	13 035
Electricity - prepaid (min.service level)		-	-	-	15 535	15 535	15 535	15 535	15 535	15 535
<i>Minimum Service Level and Above sub-total</i>					28 570	28 570	28 570	28 570	28 570	28 570
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	1 300	1 300	1 300	1 300	1 300	1 300
<i>Below Minimum Service Level sub-total</i>					1 300	1 300	1 300	1 300	1 300	1 300
Total number of households	5	-	-	-	29 870	29 870	29 870	29 870	29 870	29 870
<u>Refuse:</u>										
Removed at least once a week		-	-	-	22 978	22 978	22 978	22 978	22 978	22 978
<i>Minimum Service Level and Above sub-total</i>					22 978	22 978	22 978	22 978	22 978	22 978
Removed less frequently than once a week		-	-	-	103	103	103	103	103	103
Using communal refuse dump		-	-	-	208	208	208	208	208	208
Using own refuse dump		-	-	-	2 725	2 725	2 725	2 725	2 725	2 725
Other rubbish disposal		-	-	-	2 305	2 305	2 305	2 305	2 305	2 305
No rubbish disposal		-	-	-	423	423	423	423	423	423
<i>Below Minimum Service Level sub-total</i>					5 764	5 764	5 764	5 764	5 764	5 764
Total number of households	5	-	-	-	28 742	28 742	28 742	28 742	28 742	28 742
<u>Households receiving Free Basic Service</u>	7									
Water (6 kilolitres per household per month)		-	-	-	5 000	5 000	5 000	7 500	7 598	7 696
Sanitation (free minimum level service)		-	-	-	5 000	5 000	5 000	7 500	7 598	7 696
Electricity/other energy (50kwh per household per month)		-	-	-	5 000	5 000	5 000	7 500	7 598	7 696
Refuse (removed at least once a week)		-	-	-	5 000	5 000	5 000	7 500	7 598	7 696
<u>Cost of Free Basic Services provided - Formal Settlements (R'000)</u>	8									
Water (6 kilolitres per indigent household per month)		-	-	-	1 000	1 000	1 000	1 078	1 143	1 212
Sanitation (free sanitation service to indigent households)		-	-	-	1 000	1 000	1 000	1 076	1 134	1 196
Electricity/other energy (50kwh per indigent household per month)		-	-	-	2 500	2 500	2 500	2 685	2 846	3 017
Refuse (removed once a week for indigent households)		-	-	-	2 500	2 500	2 500	2 686	2 804	2 958
<u>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</u>										
Total cost of FBS provided		-	-	-	7 000	7 000	7 000	7 524	7 927	8 383
<u>Highest level of free service provided per household</u>										
Property rates (R value threshold)										
Water (kilolitres per household per month)					6	6	6	6	6	6
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)					50	50	50	50	50	50
Refuse (average litres per week)										
<u>Revenue cost of subsidised services provided (R'000)</u>	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA										
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	10 503	10 503	10 503	11 286	12 783	13 486
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided	6	-	-	-	10 503	10 503	10 503	11 286	12 783	13 486

Table 19MBRR Table SA 1 - Supporting detail to 'Budgeted Financial Performance

LIM368 Modimolle-Mookgopong - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
REVENUE ITEMS:											
Property rates	6										
Total Property Rates				55 979	75 881	75 881	75 881		114 443	121 997	129 926
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>					10 503	10 503	10 503		11 286	12 783	13 486
Net Property Rates		-	-	55 979	65 378	65 378	65 378	-	103 157	109 213	116 440
Service charges - electricity revenue	6										
Total Service charges - electricity revenue				124 260	164 681	159 567	159 567		135 807	180 517	190 309
<i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>											
<i>less Cost of Free Basis Services (50 kwh per indigent household per month)</i>		-	-	-	2 500	2 500	2 500		2 685	2 846	3 017
Net Service charges - electricity revenue		-	-	124 260	162 181	157 067	157 067	-	133 122	177 671	187 292
Service charges - water revenue	6										
Total Service charges - water revenue				29 379	43 031	48 182	48 182		54 144	54 611	57 561
<i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>											
<i>less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>		-	-	-	1 000	1 000	1 000		1 078	1 143	1 212
Net Service charges - water revenue		-	-	29 379	42 031	47 182	47 182	-	53 066	53 468	56 349
Service charges - sanitation revenue											
Total Service charges - sanitation revenue				25 024	23 410	17 803	17 803		19 109	20 418	21 543
<i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>											
<i>less Cost of Free Basis Services (free sanitation service to indigent households)</i>		-	-	-	1 000	1 000	1 000		1 076	1 134	1 196
Net Service charges - sanitation revenue		-	-	25 024	22 410	16 803	16 803	-	18 034	19 285	20 347
Service charges - refuse revenue	6										
Total refuse removal revenue				15 008	19 278	19 285	19 285		20 533	21 868	23 072
Total landfill revenue											
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>											
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>		-	-	-	2 500	2 500	2 500		2 686	2 804	2 958
Net Service charges - refuse revenue		-	-	15 008	16 778	16 785	16 785	-	17 847	19 064	20 113
Other Revenue by source	3										
Administrative Handling Fees				394	106	2 722	2 722		2 146	3 015	3 181
Skills Development Levy Refund				-	60	60	60		63	66	70
Staff Recoveries(Continuous medical Aid Retired Emp.)				-	675	775	775		814	858	906
Advertisements				77	70	70	70		74	78	82
Building Plan Approval				444	294	294	294		309	326	344
Cemetery and Burial				303	299	389	389		409	431	455
Clearance Certificates				363	300	305	305		320	338	356
Fire Services				1 000	4 184	2 184	2 184		-	-	-
Library Fees				13	28	28	28		30	31	33
Sale of Goods				2 330	350	350	350		368	388	409
Valuation Services				94	79	79	79		83	87	92
Total 'Other' Revenue	1	-	-	5 019	6 445	7 256	7 256	-	4 616	5 619	5 928

EXPENDITURE ITEMS:												
Employee related costs												
Basic Salaries and Wages	2			103 821	124 536	119 160	119 160		131 263	135 668	143 944	
Pension and UIF Contributions				19 851	25 690	24 294	24 294		26 400	29 864	31 686	
Medical Aid Contributions				6 517	7 771	7 542	7 542		8 941	8 696	9 226	
Overtime				8 048	4 596	6 983	6 983		7 471	7 891	8 372	
Performance Bonus				-	-	-	-		-	-	-	
Motor Vehicle Allowance				9 081	10 409	10 005	10 005		10 672	13 484	14 306	
Cellphone Allowance				1 302	798	758	758		836	1 645	1 745	
Housing Allowances				679	566	635	635		600	577	612	
Other benefits and allowances				8 374	7 763	4 542	4 542		9 129	9 666	10 256	
Payments in lieu of leave				-	1 604	1 604	1 604		1 716	1 813	1 923	
Long service awards				904	2 084	1 284	1 284		1 374	1 451	1 540	
Post-retirement benefit obligations	4			476	4 856	4 856	4 856		4 241	1 410	1 496	
sub-total		5	-	-	159 053	190 673	181 664	181 664	-	202 644	212 164	225 106
Less: Employees costs capitalised to PPE												
Total Employee related costs	1	-	-	159 053	190 673	181 664	181 664	-	202 644	212 164	225 106	
Contributions recognised - capital												
List contributions by contract												
Total Contributions recognised - capital			-	-	-	-	-	-	-	-	-	
Depreciation & asset impairment												
Depreciation of Property, Plant & Equipment				51 401	76 947	64 200	64 200		60 937	63 777	66 847	
Lease amortisation												
Capital asset impairment												
Depreciation resulting from revaluation of PPE	10											
Total Depreciation & asset impairment	1	-	-	51 401	76 947	64 200	64 200	-	60 937	63 777	66 847	
Bulk purchases												
Electricity Bulk Purchases				140 549	152 775	173 090	173 090		176 434	189 667	203 892	
Water Bulk Purchases				2 088	12 716	14 024	14 024		19 600	22 050	24 917	
Total bulk purchases	1	-	-	142 637	165 491	187 114	187 114	-	196 034	211 717	228 808	
Transfers and grants												
Cash transfers and grants		-	-	-	-	-	-	-	890	944	1 000	
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-	
Total transfers and grants	1	-	-	-	-	-	-	-	890	944	1 000	

Contracted services																						
<i>List services provided by contract</i>																						
<i>Business and Advisory</i>					6 233	5 478	5 478		5 715	5 962	6 220											
<i>Infrastructure and Planning(Town planning)</i>					990	330	330		344	359	375											
<i>Legal Cost</i>				15 881	5 300	8 300	8 300		17 469	17 921	19 037											
						-	-		-	-	-											
<i>Maintenance of Buildings and Facilities</i>					537	377	377		401	426	452											
<i>Maintenance of Equipment</i>					9 223	9 061	9 061		9 453	9 863	10 290											
<i>Maintenance of Unspecified Assets</i>					8 065	7 324	7 324		7 780	8 117	8 779											
<i>Sewerage Services(Maintenance)</i>					162	1 602	1 602		1 671	1 744	1 819											
<i>Traffic and Street Lights(Maintenance)</i>					319	169	169		179	190	202											
<i>Transportation</i>					15	48	48		-	-	-											
<i>Transport assets maintenance</i>						4 194	4 194		4 375	4 565	4 763											
<i>Burial Services</i>					105	70	70		74	79	84											
<i>Business and Advisory</i>					16	11	11		-	-	-											
<i>Catering Services</i>					70	25	25		-	-	-											
<i>Security Services</i>				-	8 954	13 554	13 554		13 399	14 233	15 119											
<i>Water Takers</i>					1 248	1 248	1 248		2 000	1 358	1 417											
<i>Maintenance of Machinery and transport assets</i>						-	-		1 300	1 375	1 564											
<i>Machinery and Equipment(Inspection of Equipment Electricity)</i>					1 449	806	806		850	901	960											
<i>Transport Assets/Vehicles costs(Leasing of Trucks)</i>					11 395	2 258	2 258		2 356	2 458	2 564											
sub-total				1	-	-	15 881	54 080	54 855	54 855	-	67 368	69 551	73 647								
Allocations to organs of state:																						
Electricity																						
Water																						
Sanitation																						
Other																						
Total contracted services					-	-	15 881	54 080	54 855	54 855	-	67 368	69 551	73 647								
Other Expenditure By Type																						
Collection costs																						
Contributions to 'other' provisions					(15 936)																	
Consultant fees					4 946																	
Audit fees					2 675	5 139	5 139	5 139		6 540	6 431	6 995										
General expenses				3	38 373	3 167	7 611	7 611		3 149	3 826	3 943										
<i>Postage(Billings)</i>					-		-	-		1 560	1 654	1 659										
<i>Advertising Publicity and Marketing</i>					439	425	325	325		350	346	371										
<i>Bank Charges Facility and Card Fees</i>					436	887	587	587		626	667	714										
<i>Bargaining Council</i>					-	468	268	268		300	320	342										
<i>Bursaries (Employees)</i>					-	-	-	-		-	-	-										
<i>Cleaning Services</i>					64	10	5	5		5	6	6										
<i>Commission</i>					-	4 316	1 816	1 816		2 000	2 131	2 281										
<i>Communication</i>					-	1 035	367	367		505	538	576										
<i>Drivers Licences and Permits</i>					-	10	-	-		100	107	114										
<i>Entertainment</i>					8	70	20	20		21	23	24										
<i>External Computer Service</i>					429	4 325	4 045	4 045		4 230	4 507	4 825										
<i>Insurance Underwriting</i>					1 004	2 160	1 860	1 860		4 273	4 552	4 873										
<i>Learnerships and Internships</i>					29	40	45	45		48	51	55										
<i>Levies Paid - Water Resource Management Charges</i>					-	26	26	26		28	30	32										
<i>Parking Fees</i>					-	2	-	-		-	-	-										
<i>Printing Publications and Books</i>					1 667	340	407	407		306	326	349										
<i>Professional Bodies Membership and Subscription</i>					205	1 362	262	262		279	297	318										
<i>Registration Fees</i>					-	781	853	853		958	1 021	1 093										
<i>Remuneration to Ward Committees</i>					784	1 220	1 270	1 270		1 366	1 455	1 558										
<i>Samples and Specimens</i>					44	469	369	369		393	419	448										
<i>Skills Development Fund Levy</i>					-	1 504	1 452	1 452		1 534	1 634	1 750										
<i>Servitudes for Boreholes</i>										240	240	240										
Total 'Other' Expenditure				1	-	-	35 167	27 756	26 726	26 726	-	28 811	30 580	32 566								
by Expenditure Item												8										
Employee related costs															-	43 531	42 232	42 232		44 147	46 796	40 057
Other materials														20 681	7	36 339	36 339		22 477	24 428	26 549	
Contracted Services														-	18 898	22 558	22 558		25 160	26 280	27 869	
Other Expenditure																						
Total Repairs and Maintenance Expenditure												9	-	-	20 681	62 436	101 130	101 130	-	91 784	97 504	94 475



Table 20 MBRR Table SA 2 - Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

LIM368 Modimolle-Mookgopong - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Public Office Bearers	Vote 2 - Municipal Manager	Vote 3 - Budget and Treasury	Vote 4 - Planning and Economic Development	Vote 5 - Technical Services	Vote 6 - Corporate Services	Vote 7 - Community and Social Services	Total
R thousand	1								
Revenue By Source									
Property rates				103 157					103 157
Service charges - electricity revenue						133 122			133 122
Service charges - water revenue						53 066			53 066
Service charges - sanitation revenue						18 034			18 034
Service charges - refuse revenue								17 847	17 847
Service charges - other									-
Rental of facilities and equipment							265	464	729
Interest earned - external investments				104					104
Interest earned - outstanding debtors				36 897					36 897
Dividends received									-
Fines, penalties and forfeits								446	446
Licences and permits								1 900	1 900
Agency services									-
Other revenue				2 711	309	206	951	439	4 616
Transfers and subsidies				4 115	101 825	1 891			107 831
Gains on disposal of PPE									-
Total Revenue (excluding capital transfers and contributions)		-	-	146 983	102 134	206 319	1 216	21 095	477 748
Expenditure By Type									
Employee related costs			15 329	29 840	14 538	81 290	27 278	34 370	202 644
Remuneration of councillors		10 099							10 099
Debt impairment				39 045					39 045
Depreciation & asset impairment			11 104	555	39	36 941	3 684	8 614	60 937
Finance charges						525	5 202		5 727
Bulk purchases						196 034			196 034
Other materials				8	0	19 097	103	3 267	22 477
Contracted services		38	500	5 034	13 870	27 092	16 204	4 630	67 368
Transfers and subsidies						890			890
Other expenditure		2 680	4 487	5 487	5 755	3 987	5 458	958	28 811
Loss on disposal of PPE									-
Total Expenditure		12 817	31 419	79 969	34 202	365 857	57 928	51 838	634 030
Surplus/(Deficit)		(12 817)	(31 419)	67 015	67 932	(159 538)	(56 712)	(30 743)	(156 282)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)						95 935			95 935
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)									-
Transfers and subsidies - capital (in-kind - all)									-
Surplus/(Deficit) after capital transfers & contributions		(12 817)	(31 419)	67 015	67 932	(63 603)	(56 712)	(30 743)	(60 347)

Table 21 MBRR Table SA 3 - Supporting detail to 'Budgeted Financial Position'

LIM368 Modimolle-Mookgopong - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
ASSETS											
<u>Call investment deposits</u>											
Call deposits				900	2 484	2 484	2 484		800	2 000	5 000
Other current investments					900	900	900		900	900	900
Total Call investment deposits	2	-	-	900	3 384	3 384	3 384	-	1 700	2 900	5 900
<u>Consumer debtors</u>											
Consumer debtors				212 364	300 748	406 066	407 423		517 994	616 293	719 945
Less: Provision for debt impairment					(103 779)	(103 779)	(110 180)		(149 225)	(189 937)	(232 410)
Total Consumer debtors	2	-	-	212 364	196 969	302 287	297 243	-	368 769	426 356	487 535
<u>Debt impairment provision</u>											
Balance at the beginning of the year					77 114	77 114	82 982		110 180	149 225	189 937
Contributions to the provision					26 665	26 665	27 198		39 045	40 712	42 473
Bad debts written off											
Balance at end of year		-	-	-	103 779	103 779	110 180	-	149 225	189 937	232 410
<u>Property, plant and equipment (PPE)</u>											
PPE at cost/valuation (excl. finance leases)				1 345 185	1 787 820	1 846 236	1 846 236		2 081 206	2 126 112	2 261 978
Leases recognised as PPE											
Less: Accumulated depreciation					506 167	550 087	550 087		617 280	687 603	761 203
Total Property, plant and equipment (PPE)	2	-	-	1 345 185	1 281 653	1 296 149	1 296 149	-	1 463 926	1 438 509	1 500 775
LIABILITIES											
<u>Current liabilities - Borrowing</u>											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities				151	500	500	500		-	-	-
Total Current liabilities - Borrowing		-	-	151	500	500	500	-	-	-	-
<u>Trade and other payables</u>											
Trade and other creditors				209 117	162 421	268 968	360 457		303 471	272 558	227 600
Unspent conditional transfers				18 790		8 100	68 265		68 265	68 265	68 265
VAT					5 000	5 000	5 000		-	-	-
Total Trade and other payables	2	-	-	227 907	167 421	282 068	433 722	-	371 736	340 823	295 865
<u>Non current liabilities - Borrowing</u>											
Borrowing											
Finance leases (including PPP asset element)				38 014	4 000	4 000	4 000		42 102	45 164	49 229
Total Non current liabilities - Borrowing	4	-	-	38 014	4 000	4 000	4 000	-	42 102	45 164	49 229
<u>Provisions - non-current</u>											
Retirement benefits				71 155	57 952	57 952	57 952		11 777	12 013	12 253
List other major provision items											
Refuse landfill site rehabilitation					34 000	34 000	34 000		87 502	89 252	91 037
Other					5 381	5 381	5 381				
Total Provisions - non-current		-	-	71 155	97 333	97 333	97 333	-	99 279	101 265	103 290
CHANGES IN NET ASSETS											
<u>Accumulated Surplus/(Deficit)</u>											
Accumulated Surplus/(Deficit) - opening balance				1 117 181	1 221 740	946 892	946 892		1 001 741	861 446	699 245
GRAP adjustments											
Restated balance		-	-	1 117 181	1 221 740	946 892	946 892	-	1 001 741	861 446	699 245
Surplus/(Deficit)		-	-	(20 709)	13 496	(25 804)	(25 804)	-	(60 347)	(626)	(4 742)
Appropriations to Reserves											
Transfers from Reserves											
Depreciation offsets											
Other adjustments											
Accumulated Surplus/(Deficit)	1	-	-	1 096 472	1 235 237	921 088	921 088	-	941 394	860 820	694 503
<u>Reserves</u>											
Housing Development Fund				483							
Capital replacement											
Self-insurance											
Other reserves											
Revaluation											
Total Reserves	2	-	-	483	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	-	-	1 096 955	1 235 237	921 088	921 088	-	941 394	860 820	694 503

Table 22 MBRR Table SA 4 - Reconciliation of IDP strategic objectives and budget (revenue)

LIM368 Modimolle-Mookgopong - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Municipal Medium-Term Revenue and Expenditure Framework: Strategic Objectives and Budget Overview												
Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
To Ensure Integrated and sustainable human settlement	Prosperous community	A	2			238	294	294	294	313	330	350
To develop and maintain an infrastructural system which provides sustainable access to basic services	Acess to basic services	B				185 265	228 677	223 115	223 115	196 342	246 719	261 392
To promote and enforce acceptable environmental practices	Acess to basic services	C				24 287	29 978	29 978	29 978	31 921	33 668	35 669
To Create a conducive environment for businesses to invest and prosper	Sustainable communities	D				80 295	99 110	99 110	99 110	105 536	111 312	117 925
To create a conducive environment for economic growth	Sustainable communities	E								-	-	-
To enhance compliance with the MFMA and improve financial viability	Financial sustainability	F				83 381	102 919	103 352	103 352	142 508	150 215	160 027
To increase institutional capacity, efficiency and effectiveness	Good governance, active citizenship	G				262	324	324	324	345	364	386
To attract, develop and retain human capital	Increased Productivity	H				595	735	735	735	783	825	874
Allocations to other priorities				2								
Total Revenue (excluding capital transfers and contributions)			1	-	-	374 324	462 037	456 907	456 907	477 748	543 433	576 623

Table 23 MBRR Table SA 5 - Reconciliation of IDP strategic objectives and budget (operating expenditure)

LIM368 Modimolle-Mookgopong - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
R thousand													
To Ensure Integrated and sustainable human settlement	Prosperous community	A	1			5 867	7 024	7 024	7 024	7 176	7 606	8 065	
To develop and maintain an infratructural system which provides sustainable access to basic services	Acess to basic services	B				261 552	313 090	352 261	352 261	364 940	388 482	415 615	
To promote and enforce acceptable environmental practices	Acess to basic services	C				58 353	69 851	69 851	69 851	71 364	75 637	80 206	
To Create a conducive environment for businesses to invest and prosper	Sustainable communities	D				7 507	8 987	8 987	8 987	9 181	9 731	10 319	
To create a conducive environment for economic growth	Sustainable communities	E				–	–	–	–	–	–	–	
To enhance compliane with the MFMA and improve financial vialility	Financial sustainability	F				54 276	64 971	64 971	64 971	69 115	70 353	74 603	
To increase institutional cpacity, efficiency and effectiveness	Good governance, active citizenship	G				76 712	91 827	91 827	91 827	93 842	99 367	105 370	
To attract, develop and retain human capital	Increased Productivity	H				15 055	18 021	18 021	18 021	18 411	19 514	20 693	
Allocations to other priorities													
Total Expenditure				1	–	–	479 322	573 771	612 941	612 941	634 030	670 690	714 870

Table 24 MBRR Table SA 6 - Reconciliation of IDP strategic objectives and budget (capital expenditure)

LIM368 Modimolle-Mookgopong - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
To Ensure Integrated and sustainable human settlement	Prosperous community	A				1 980	2 844	2 844	2 844	–		
To develop and maintain an infratructural system which provides sustainable access to basic services	Acess to basic services	B				82 077	117 887	122 887	122 887	160 513	126 630	133 505
To promote and enforce acceptable environmental practices	Acess to basic services	C				3 133	4 500	4 500	4 500			
To Create a condicuve environment for businesses to invest and prosper	Sustainable communities	D										
To create a condicive environment for economic growth	Sustainable communities	E										
To enhance compliane with the MFMA and improve financial vialility	Financial sustainability	F										
To increase institutional capacity, efficiency and effectiveness	Good governance, active citizenship	G							100	100		
To attract, develop and retain human capital	Increased Productivity	H										
Allocations to other priorities				3								
Total Capital Expenditure			1	–	–	87 190	125 231	130 331	130 331	160 513	126 630	133 505

Table 25 MBRR Table SA 7 Measurable performance objective

LIM368 Modimolle-Mookgophong - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Technical Services										
Roads and StormWater										
Paving										
<i>Paving to be constructed</i>	Kilometers							6.00	5.00	5.00
Stormwater										
<i>Drainage system construction</i>	Meters							10.00	10.00	10.00
Bridges										
<i>Reduce roads backlogs</i>	Meters							500.00		
Electricity Distribution										
Electrification										
<i>Households to be provided with electricity</i>	Number of households							500.00		
Water Distribution										
Reticulation										
<i>Number of households to be connected</i>	Number of households							20.00	20.00	20.00
Number of boreholes drilled	Numbers to be drilled							13.00	2.00	2.00
Water treatment works										
<i>Areas to be repaired</i>	Meters							10.00	5.00	5.00
Sewerage										
Waste water treatmentworks										
<i>Areas to be maintained</i>	Meters							20.00		
Community and Social Services										
Solid Waste Management										
Sub-function 1 - (name)										
<i>Distance of landfill site constructed</i>	Meters							1,000.00		

Table 26 MBRR Table SA 8 Performance indicators and benchmarks

LIM368 Modimolle-Mookgopong - Supporting Table SA8 Performance indicators and benchmarks

Limpopo Medium-Term Indicative Budget - Supporting Table 3(a) Performance Indicators and Benchmarks											
Description of financial indicator	Basis of calculation	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.0%	0.0%	1.6%	2.4%	2.0%	2.4%	0.0%	0.9%	0.9%	0.9%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.0%	0.0%	2.7%	3.8%	3.5%	4.3%	0.0%	1.6%	1.4%	1.4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	7866.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	–	–	0.6	1.2	0.5	0.4	–	0.5	0.5	0.5
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	–	–	0.6	1.2	0.5	0.4	–	0.5	0.5	0.5
Liquidity Ratio	Monetary Assets/Current Liabilities	–	–	0.0	0.0	0.0	0.0	–	0.0	0.0	0.0
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	76.4%	95.8%	80.0%	81.9%	0.0%	75.9%	77.1%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	76.4%	95.8%	80.0%	81.9%	0.0%	75.9%	77.1%	79.4%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	0.0%	0.0%	62.9%	44.5%	68.1%	67.0%	0.0%	79.3%	80.4%	86.5%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		0.0%	0.0%	-145.7%	32329.3%	-88.7%	-386.6%	0.0%	-94.4%	-57.2%	-35.1%
<u>Other Indicators</u>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)				22918971						
	Total Cost of Losses (Rand '000)			45 107	26 128				27 064	9 021	4 511
	% Volume (units purchased and generated less units sold)/units purchased and generated			0	0				0	0	0
Water Distribution Losses (2)	Total Volume Losses (kℓ)								165	171	176
	Total Cost of Losses (Rand '000)			1 703					1 277	852	511
	% Volume (units purchased and generated less units sold)/units purchased and generated			0					0	0	0
Employee costs	Employee costs/(Total Revenue - capital revenue)	0.0%	0.0%	42.5%	41.3%	39.8%	39.8%	0.0%	42.7%	39.1%	39.1%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	0.0%	0.0%	45.7%	43.4%	41.9%	41.9%		44.9%	41.1%	41.1%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	5.5%	13.5%	22.1%	22.1%		19.2%	18.0%	16.4%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	0.0%	0.0%	15.2%	19.6%	16.7%	16.7%	0.0%	14.0%	12.9%	12.7%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	–	–	23.5	40.4	40.4	40.4	–	15.4	14.5	15.3
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.0%	0.0%	94.3%	66.5%	102.4%	100.7%	0.0%	116.3%	115.2%	124.3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	–	–	(4.4)	0.0	(7.2)	(2.2)	–	(7.1)	(10.0)	(12.7)

Table 27 MBRR Table SA 9 - Social, economic and demographic statistics and assumptions

LIM368 Modimolle-Mookgophong - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2014/15	2015/16	2016/17	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population									35 640			
Females aged 5 - 14									4 624			
Males aged 5 - 14									4 533			
Females aged 15 - 34									6 141			
Males aged 15 - 34									7 575			
Unemployment									4 619			
Monthly household income (no. of households)	1, 12											
No income									28 726			
R1 - R1 600									3 315			
R1 601 - R3 200									1 818			
R3 201 - R6 400									748			
R6 401 - R12 800									249			
R12 801 - R25 600									71			
R25 601 - R51 200									36			
R52 201 - R102 400									35			
R102 401 - R204 800												
R204 801 - R409 600												
R409 601 - R819 200												
> R819 200												
Poverty profiles (no. of households)												
< R2 060 per household per month	13								32683			
Insert description	2											
Household/demographics (000)												
Number of people in municipal area									36			
Number of poor people in municipal area									33	30	30	30
Number of households in municipal area									10			
Number of poor households in municipal area									7	30	30	30
Definition of poor household (R per month)									< R2 064			
Housing statistics												
Formal	3								8 832			
Informal									1 087			
Total number of households			-	-	-	-	-	-	9 919	-	-	-
Dwellings provided by municipality	4								8			
Dwellings provided by provincials									2 110			
Dwellings provided by private sector	5								-			
Total new housing dwellings			-	-	-	-	-	-	2 118	-	-	-
Economic												
Inflation/inflation outlook (CPIX)	6											
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
Collection rates	7											
Property tax/service charges										73.0%	73.0%	73.0%
Rental of facilities & equipment												
Interest - external investments												
Interest - debtors												
Revenue from agency services												



Total municipal services	Ref.		2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
		Household service targets (000)									
		<u>Water:</u>									
		Piped water inside dwelling	-	-	-	21 649	21 649	21 649	21 649	21 649	21 649
		Piped water inside yard (but not in dwelling)	-	-	-	4 944	4 944	4 944	4 944	4 944	4 944
8		Using public tap (at least min.service level)	-	-	-	1 616	1 616	1 616	1 616	1 616	1 616
10		Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	28 209	28 209	28 209	28 209	28 209	28 209
9		Using public tap (< min.service level)	-	-	-	277	277	277	277	277	277
10		Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	257	257	257	257	257	257
		<i>Below Minimum Service Level sub-total</i>	-	-	-	534	534	534	534	534	534
		Total number of households	-	-	-	28 743	28 743	28 743	28 743	28 743	28 743
		<u>Sanitation/sewerage:</u>									
		Flush toilet (connected to sewerage)	-	-	-	23 613	23 613	23 613	23 613	23 613	23 613
		Flush toilet (with septic tank)	-	-	-	525	525	525	525	525	525
		Chemical toilet	-	-	-	86	86	86	86	86	86
		Pit toilet (ventilated)	-	-	-	1 614	1 614	1 614	1 614	1 614	1 614
		Other toilet provisions (> min.service level)	-	-	-	1 917	1 917	1 917	1 917	1 917	1 917
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	27 755	27 755	27 755	27 755	27 755	27 755
		Bucket toilet	-	-	-	195	195	195	195	195	195
		Other toilet provisions (< min.service level)	-	-	-	262	262	262	262	262	262
		No toilet provisions	-	-	-	527	527	527	527	527	527
		<i>Below Minimum Service Level sub-total</i>	-	-	-	984	984	984	984	984	984
		Total number of households	-	-	-	28 739	28 739	28 739	28 739	28 739	28 739
		<u>Energy:</u>									
		Electricity (at least min.service level)	-	-	-	13 035	13 035	13 035	13 035	13 035	13 035
		Electricity - prepaid (min.service level)	-	-	-	15 535	15 535	15 535	15 535	15 535	15 535
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	28 570	28 570	28 570	28 570	28 570	28 570
		Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	-	-	-	1 300	1 300	1 300	1 300	1 300	1 300
		<i>Below Minimum Service Level sub-total</i>	-	-	-	1 300	1 300	1 300	1 300	1 300	1 300
		Total number of households	-	-	-	29 870	29 870	29 870	29 870	29 870	29 870
		<u>Refuse:</u>									
		Removed at least once a week	-	-	-	22 978	22 978	22 978	22 978	22 978	22 978
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	22 978	22 978	22 978	22 978	22 978	22 978
		Removed less frequently than once a week	-	-	-	103	103	103	103	103	103
		Using communal refuse dump	-	-	-	208	208	208	208	208	208
		Using own refuse dump	-	-	-	2 725	2 725	2 725	2 725	2 725	2 725
		Other rubbish disposal	-	-	-	2 305	2 305	2 305	2 305	2 305	2 305
		No rubbish disposal	-	-	-	423	423	423	423	423	423
		<i>Below Minimum Service Level sub-total</i>	-	-	-	5 764	5 764	5 764	5 764	5 764	5 764
		Total number of households	-	-	-	28 742	28 742	28 742	28 742	28 742	28 742



Municipal in-house services	Ref.		2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
		Household service targets (000)									
		<u>Water:</u>									
		Piped water inside dwelling				21 649	21 649	21 649	21 649	21 649	21 649
		Piped water inside yard (but not in dwelling)				4 944	4 944	4 944	4 944	4 944	4 944
8		Using public tap (at least min.service level)				1 616	1 616	1 616	1 616	1 616	1 616
10		Other water supply (at least min.service level)									
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	28 209	28 209	28 209	28 209	28 209	28 209
9		Using public tap (< min.service level)				277	277	277	277	277	277
10		Other water supply (< min.service level)									
		No water supply				257	257	257	257	257	257
		<i>Below Minimum Service Level sub-total</i>	-	-	-	534	534	534	534	534	534
		Total number of households	-	-	-	28 743	28 743	28 743	28 743	28 743	28 743
		<u>Sanitation/sewerage:</u>									
		Flush toilet (connected to sewerage)				23 613	23 613	23 613	23 613	23 613	23 613
		Flush toilet (with septic tank)				525	525	525	525	525	525
		Chemical toilet				86	86	86	86	86	86
		Pit toilet (ventilated)				1 614	1 614	1 614	1 614	1 614	1 614
		Other toilet provisions (> min.service level)				1 917	1 917	1 917	1 917	1 917	1 917
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	27 755	27 755	27 755	27 755	27 755	27 755
		Bucket toilet				195	195	195	195	195	195
		Other toilet provisions (< min.service level)				262	262	262	262	262	262
		No toilet provisions				527	527	527	527	527	527
		<i>Below Minimum Service Level sub-total</i>	-	-	-	984	984	984	984	984	984
		Total number of households	-	-	-	28 739	28 739	28 739	28 739	28 739	28 739
		<u>Energy:</u>									
		Electricity (at least min.service level)				13 035	13 035	13 035	13 035	13 035	13 035
		Electricity - prepaid (min.service level)				15 535	15 535	15 535	15 535	15 535	15 535
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	28 570	28 570	28 570	28 570	28 570	28 570
		Electricity (< min.service level)									
		Electricity - prepaid (< min. service level)									
		Other energy sources				1 300	1 300	1 300	1 300	1 300	1 300
		<i>Below Minimum Service Level sub-total</i>	-	-	-	1 300	1 300	1 300	1 300	1 300	1 300
		Total number of households	-	-	-	29 870	29 870	29 870	29 870	29 870	29 870
		<u>Refuse:</u>									
		Removed at least once a week				22 978	22 978	22 978	22 978	22 978	22 978
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	22 978	22 978	22 978	22 978	22 978	22 978
		Removed less frequently than once a week				103	103	103	103	103	103
		Using communal refuse dump				208	208	208	208	208	208
		Using own refuse dump				2 725	2 725	2 725	2 725	2 725	2 725
		Other rubbish disposal				2 305	2 305	2 305	2 305	2 305	2 305
		No rubbish disposal				423	423	423	423	423	423
		<i>Below Minimum Service Level sub-total</i>	-	-	-	5 764	5 764	5 764	5 764	5 764	5 764
		Total number of households	-	-	-	28 742	28 742	28 742	28 742	28 742	28 742



Detail of Free Basic Services (FBS) provided		2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Electricity	Ref: <u>Location of households for each type of FBS</u>									
List type of FBS service	Formal settlements - (50 kwh per indigent household per month Rands) <i>Number of HH receiving this type of FBS</i> Informal settlements (Rands) <i>Number of HH receiving this type of FBS</i> Informal settlements targeted for upgrading (Rands) <i>Number of HH receiving this type of FBS</i> Living in informal backyard rental agreement (Rands) <i>Number of HH receiving this type of FBS</i> Other (Rands) <i>Number of HH receiving this type of FBS</i>				5 000	2 500 000 5 000	2 500 000 5 000	2 684 713 7 500	2 845 796 7 598	3 016 544 7 696
	Total cost of FBS - Electricity for informal settlements	-	-	-	-	-	-	-	-	-
Water	Ref: <u>Location of households for each type of FBS</u>									
List type of FBS service	Formal settlements - (6 kilolitre per indigent household per month Rands) <i>Number of HH receiving this type of FBS</i> Informal settlements (Rands) <i>Number of HH receiving this type of FBS</i> Informal settlements targeted for upgrading (Rands) <i>Number of HH receiving this type of FBS</i> Living in informal backyard rental agreement (Rands) <i>Number of HH receiving this type of FBS</i> Other (Rands) <i>Number of HH receiving this type of FBS</i>				5 000	1 000 000 5 000	1 000 000 5 000	1 078 309 7 500	1 143 007 7 598	1 211 587 7 696
	Total cost of FBS - Water for informal settlements	-	-	-	-	-	-	-	-	-
Sanitation	Ref: <u>Location of households for each type of FBS</u>									
List type of FBS service	Formal settlements - (free sanitation service to indigent households) <i>Number of HH receiving this type of FBS</i> Informal settlements (Rands) <i>Number of HH receiving this type of FBS</i> Informal settlements targeted for upgrading (Rands) <i>Number of HH receiving this type of FBS</i> Living in informal backyard rental agreement (Rands) <i>Number of HH receiving this type of FBS</i> Other (Rands) <i>Number of HH receiving this type of FBS</i>				5 000	1 000 000 5 000	1 000 000 5 000	1 075 566 7 500	1 133 651 7 598	1 196 002 7 696
	Total cost of FBS - Sanitation for informal settlements	-	-	-	-	-	-	-	-	-
Refuse Removal	Ref: <u>Location of households for each type of FBS</u>									
List type of FBS service	Formal settlements - (removed once a week to indigent households) <i>Number of HH receiving this type of FBS</i> Informal settlements (Rands) <i>Number of HH receiving this type of FBS</i> Informal settlements targeted for upgrading (Rands) <i>Number of HH receiving this type of FBS</i> Living in informal backyard rental agreement (Rands) <i>Number of HH receiving this type of FBS</i> Other (Rands) <i>Number of HH receiving this type of FBS</i>				5 000	2 500 000 5 000	2 500 000 5 000	2 685 556 7 500	2 804 231 7 598	2 958 463 7 696
	Total cost of FBS - Refuse Removal for informal settlements	-	-	-	-	-	-	-	-	-

Table 28 MBRR Table SA 10 - Funding measurement

LIM368 Modimolle-Mookgophong Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Funding measures</u>												
Cash/cash equivalents at the year end - R'000	18(1)b	1	-	-	(143 493)	502	(303 279)	(93 239)	-	(384 879)	(539 891)	(712 322)
Cash + investments at the yr end less applications - R'000	18(1)b	2	-	-	(205 908)	22 900	(326 061)	(500 638)	-	(476 425)	(544 127)	(563 889)
Cash year end/monthly employee/supplier payments	18(1)b	3	-	-	(4.4)	0.0	(7.2)	(2.2)	-	(8.5)	(11.3)	(14.0)
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	-	-	(20 709)	13 496	(25 804)	(25 804)	-	(60 347)	(626)	(4 742)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(6.0%)	(6.0%)	17.7%	(7.8%)	(6.0%)	(106.0%)	1.3%	10.4%	(0.2%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	0.0%	0.0%	69.8%	87.9%	78.7%	74.3%	0.0%	67.9%	69.6%	71.9%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	14.9%	8.6%	9.0%	9.0%	0.0%	12.0%	10.8%	10.6%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	110.1%	100.0%	100.0%	38.0%	0.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	0.0%	0.0%	(12.7%)	51.2%	(1.6%)	(100.0%)	21.5%	15.4%	14.1%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.0%	0.0%	1.5%	4.9%	7.8%	7.8%	0.0%	6.3%	6.8%	6.3%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	53.8%	4.0%	3.9%	3.9%	0.0%	9.9%	27.6%	15.0%

Table 29 MBRR Table SA11 - Property rates summary

LIM368 Modimolle-Mookgophong - Supporting Table SA11 Property rates summary

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Valuation:	1									
Date of valuation:										
Financial year valuation used										
Municipal by-laws s6 in place? (Y/N)	2									
Municipal/assistant valuer appointed? (Y/N)										
Municipal partnership s38 used? (Y/N)										
No. of assistant valuers (FTE)	3									
No. of data collectors (FTE)	3									
No. of internal valuers (FTE)	3									
No. of external valuers (FTE)	3									
No. of additional valuers (FTE)	4									
Valuation appeal board established? (Y/N)										
Implementation time of new valuation roll (mths)										
No. of properties	5				26 056	26 056	26 056	26 056	26 056	26 056
No. of sectional title values	5				-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)					-	-	-	-	-	-
No. of supplementary valuations					1 801	1 801	1 801	1 801	1 801	1 801
No. of valuation roll amendments					-	-	-	-	-	-
No. of objections by rate payers					-	-	-	-	-	-
No. of appeals by rate payers					-	-	-	-	-	-
No. of successful objections	8				-	-	-	-	-	-
No. of successful objections > 10%	8				-	-	-	-	-	-
Supplementary valuation					-	-	-	-	-	-
Public service infrastructure value (Rm)	5				17	17	17	17	17	17
Municipality owned property value (Rm)					30	30	30	30	30	30
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)					0	0	0	0	0	0
Valuation reductions-nature reserves/park (Rm)					-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)					-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)					16	16	16	17	18	19
Valuation reductions-public worship (Rm)					0	0	0	0	0	0
Valuation reductions-other (Rm)					-	-	-	-	-	-
Total valuation reductions:		-	-	-	16	16	16	17	18	19
Total value used for rating (Rm)	5				12 481	12 481	12 481	12 481	12 481	12 481
Total land value (Rm)	5				-	-	-	-	-	-
Total value of improvements (Rm)	5				-	-	-	-	-	-
Total market value (Rm)	5				12 536	12 536	12 536	12 536	12 536	12 536
Rating:										
Residential rate used to determine rate for other categories? (Y/N)										
Differential rates used? (Y/N)	5									
Limit on annual rate increase (s20)? (Y/N)										
Special rating area used? (Y/N)										
Phasing-in properties s21 (number)										
Rates policy accompanying budget? (Y/N)										
Fixed amount minimum value (R'000)										
Non-residential prescribed ratio s19? (%)										
Rate revenue:										
Rate revenue budget (R '000)	6				65 378	65 378	65 378	103 157	109 213	116 440
Rate revenue expected to collect (R'000)	6				62 109	62 109	62 109	75 305	79 726	85 001
Expected cash collection rate (%)					95.0%	95.0%	95.0%	73.0%	73.0%	73.0%
Special rating areas (R'000)	7									
Rebates, exemptions - indigent (R'000)					1 764	1 764	1 764	2 023	2 964	3 078
Rebates, exemptions - pensioners (R'000)					56	56	56	59	63	67
Rebates, exemptions - bona fide farm. (R'000)										
Rebates, exemptions - other (R'000)					8 683	8 683	8 683	9 204	9 757	10 342
Phase-in reductions/discounts (R'000)										
Total rebates,exemptns,eductns,discs (R'000)		-	-	-	10 503	10 503	10 503	11 286	12 783	13 486



Table 30 MBRR Table SA12a - Property Rates by Category

LIM368 Modimolle-Mookgopong - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas
Current Year 2017/18														
Valuation:														
No. of properties		20,329	132	257	3,801	254	394	95	709	-	12	23		
No. of sectional title property values		240	-	-	-	-	-	-	-	-	-	-		
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-		
No. of supplementary valuations		1,802	-	-	9	-	-	-	709	-	-	-		
Supplementary valuation (Rm)		200,000	-	-	6,000,000	-	-	-	10,270,000	-	-	-		
No. of valuation roll amendments		6	1	9	41	-	-	-	-	-	-	-		
No. of objections by rate-payers		45	2	12	69	-	1	-	-	-	-	-		
No. of appeals by rate-payers		2	-	1	2	-	-	-	-	-	-	-		
No. of appeals by rate-payers finalised		2	-	1	2	-	-	-	-	-	-	-		
No. of successful objections	5	43	2	11	67	-	1	-	-	-	-	-		
No. of successful objections > 10%	5	-	-	-	2	-	-	-	-	-	-	-		
Estimated no. of properties not valued		-	-	-	-	-	-	-	-	-	-	-		
Years since last valuation (select)														
Frequency of valuation (select)														
Method of valuation used (select)														
Base of valuation (select)														
Phasing-in properties s21 (number)														
Combination of rating types used? (Y/N)														
Flat rate used? (Y/N)														
Is balance rated by uniform rate/variable rate?														



Valuation reductions:																
Valuation reductions-public infrastructure (Rm)																
Valuation reductions-nature reserves/park (Rm)																
Valuation reductions-mineral rights (Rm)																
Valuation reductions-R15,000 threshold (Rm)																
Valuation reductions-public worship (Rm)																
Valuation reductions-other (Rm)	2															
Total valuation reductions:																
Total value used for rating (Rm)	6	159	91	206	54	44	31	3	-	-	7	8	-	-	47	
Total land value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total value of improvements (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total market value (Rm)	6	159	91	206	54	44	31	3	-	-	7	8	-	-	-	
Rating:																
Average rate	3															
Rate revenue budget (R'000)		50 192	215	6 743	2 215	1 510	-	-	4 439	-	-	-	-	-	63	-
Rate revenue expected to collect (R'000)		36 891	158	4 956	1 628	1 110	-	-	3 263	-	-	-	-	-	46	-
Expected cash collection rate (%)	4	73.5%	73.5%	73.5%	73.5%	73.5%			73.5%						73.5%	
Special rating areas (R'000)																
Rebates, exemptions - indigent (R'000)		1 764														
Rebates, exemptions - pensioners (R'000)		56														
Rebates, exemptions - bona fide farm. (R'000)																
Rebates, exemptions - other (R'000)		8 683														
Phase-in reductions/discounts (R'000)																
Total rebates, exemptions, discounts (R'000)																

65 378

48 053



Table 32 MBRR Table SA12b - Property Rates by Category

LIM368 Modimolle-Mookgophong - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/Its	Public benefit organs.	Mining Props.
Budget Year 2018/19																	
Valuation:																	
No. of properties		20,329	132	257	3,801	254	394	95	709	-	12	23					
No. of sectional title property values		240	-	-	-	-	-	-	-	-	-	-					
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-					
No. of supplementary valuations		1,802	-	-	9	-	-	-	709	-	-	-					
Supplementary valuation (Rm)		200,000	-	-	6,000,000	-	-	-	10,270,000	-	-	-					
No. of valuation roll amendments		6	1	9	41	-	-	-	-	-	-	-					
No. of objections by rate-payers		45	2	12	69	-	1	-	-	-	-	-					
No. of appeals by rate-payers		2	-	1	2	-	-	-	-	-	-	-					
No. of appeals by rate-payers finalised		2	-	1	2	-	-	-	-	-	-	-					
No. of successful objections	5	43	2	11	67	-	1	-	-	-	-	-					
No. of successful objections > 10%	5	-	-	-	2	-	-	-	-	-	-	-					
Estimated no. of properties not valued		-	-	-	-	-	-	-	-	-	-	-					
Years since last valuation (select)																	
Frequency of valuation (select)																	
Method of valuation used (select)																	
Base of valuation (select)																	
Phasing-in properties s21 (number)																	
Combination of rating types used? (Y/N)																	
Flat rate used? (Y/N)																	
Is balance rated by uniform rate/variable rate?																	



Valuation reductions:																	
Valuation reductions-public infrastructure (Rm)																	
Valuation reductions-nature reserves/park (Rm)																	
Valuation reductions-mineral rights (Rm)																	
Valuation reductions-R15,000 threshold (Rm)																	
Valuation reductions-public worship (Rm)																	
Valuation reductions-other (Rm)	2																
Total valuation reductions:																	
Total value used for rating (Rm)	6	159	91	206	54	44	31	3	-	-	7	8	-	-	47		
Total land value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total value of improvements (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total market value (Rm)	6	159	91	206	54	44	31	3	-	-	7	8	-	-	-		
Rating:																	
Average rate	3																
Rate revenue budget (R '000)		79,196	339	10,639	3,495	2,383	-	-	7,005	-	-	-	-	-	-	100	-
Rate revenue expected to collect (R'000)		57,813	247	7,767	2,551	1,740	-	-	5,113	-	-	-	-	-	-	73	-
Expected cash collection rate (%)	4	73.0%	73.0%	73.0%	73.0%	73.0%			73.0%							73.0%	
Special rating areas (R'000)																	
Rebates, exemptions - indigent (R'000)		2,023															
Rebates, exemptions - pensioners (R'000)		59															
Rebates, exemptions - bona fide farm. (R'000)																	
Rebates, exemptions - other (R'000)		9,204															
Phase-in reductions/discounts (R'000)																	
Total rebates, exemptions, reductions, discounts (R'000)																	

103,157
75,305

Table 31 MBRR Table SA 13a – Service Tariffs by category

LIM368 Modimolle-Mookgopong - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2014/15	2015/16	2016/17	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
							Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Property rates (rate in the Rand)	1								
Residential properties						R0.010820	R0.011253	R0.01215714	R0.012947
Residential properties - vacant land									
Formal/informal settlements									
Small holdings									
Farm properties - used						R0.001992	R0.001992	R0.00211152	R0.002248
Farm properties - not used									
Industrial properties									
Business and commercial properties						R 0.020499	R0.021729	R0.02303274	R0.024529
Communal land - residential									
Communal land - small holdings									
Communal land - farm property									
Communal land - business and commercial									
Communal land - other									
State-owned properties						R 0.020499	R0.021729	R0.02303274	R0.024529
Municipal properties									
Public service infrastructure						R 0.001992	R0.002112	R0.00223872	R0.002384
Privately owned towns serviced by the State trust land						R 0.010820	R0.010769	R0.01141514	R0.012157
Restitution and redistribution properties									
Protected areas									
National monuments properties									
Exemptions, reductions and rebates (Rands)									
<i>Residential properties</i>									
R15 000 threshold rebate			15,000	15,000	15,000	15,000	15,000	15,000	15,000
General residential rebate									
Indigent rebate or exemption									
Pensioners/social grants rebate or exemption									
Temporary relief rebate or exemption									
Bona fide farmers rebate or exemption									
<i>Other rebates or exemptions</i>	2								
Water tariffs									
<i>Domestic</i>									
Basic charge/fixed fee (Rands/month)						60	67	73	75
Service point - vacant land (Rands/month)									
Water usage - flat rate tariff (c/kl)									
Water usage - life line tariff		(describe structure)							
Water usage - Block 1 (c/kl)		0 - 10 kl				1,163	1,303	1,420	1,576
Water usage - Block 2 (c/kl)		11 - 20 kl				1,342	1,503	1,638	1,819
Water usage - Block 3 (c/kl)		21 - 30 kl				1,792	2,007	2,188	2,428
Water usage - Block 4 (c/kl)		31 kl and above				1,962	2,631	2,868	3,183
<i>Other</i>	2								



Waste water tariffs								
<i>Domestic</i>								
Basic charge/ fixed fee (Rands/month)					260	276	292	310
Service point - vacant land (Rands/month)								
Waste water - flat rate tariff (c/kl)								
Volumetric charge - Block 1 (c/kl)	(fill in structure)							
Volumetric charge - Block 2 (c/kl)	(fill in structure)							
Volumetric charge - Block 3 (c/kl)	(fill in structure)							
Volumetric charge - Block 4 (c/kl)	(fill in structure)							
<i>Other</i>	2							
Electricity tariffs								
<i>Domestic</i>								
Basic charge/ fixed fee (Rands/month)					117	125	134	145
Service point - vacant land (Rands/month)								
FBE	(how is this targeted?)							
Life-line tariff - meter	(describe structure)							
Life-line tariff - prepaid	(describe structure)							
Flat rate tariff - meter (c/kwh)								
Flat rate tariff - prepaid (c/kwh)								
Meter - IBT Block 1 (c/kwh)	0 - 50 kWh				87	93	99	107
Meter - IBT Block 2 (c/kwh)	51 - 350 kWh				112	119	128	138
Meter - IBT Block 3 (c/kwh)	351 - 600 kWh				163	175	187	202
Meter - IBT Block 4 (c/kwh)	601 kWh and above				194	207	221	239
Meter - IBT Block 5 (c/kwh)	(fill in thresholds)						-	-
Prepaid - IBT Block 1 (c/kwh)	0 - 50 kWh				88	94	100	108
Prepaid - IBT Block 2 (c/kwh)	51 - 350 kWh				112	120	128	138
Prepaid - IBT Block 3 (c/kwh)	351 - 600 kWh				166	177	190	205
Prepaid - IBT Block 4 (c/kwh)	601 kWh and above				192	206	220	238
Prepaid - IBT Block 5 (c/kwh)	(fill in thresholds)							
<i>Other</i>	2							
Waste management tariffs								
<i>Domestic</i>								
Street cleaning charge								
Basic charge/ fixed fee								
80l bin - once a week					102	107	113	119
250l bin - once a week								

Table 33b MBRR Table SA 13b – Service Tariffs by category

LIM368 Modimolle-Mookgopong - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2014/15	2015/16	2016/17	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
							Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Exemptions, reductions and rebates <i>(Rands)</i>									
<i>[Insert lines as applicable]</i>									
Water tariffs									
Water usage - Block 4 (c/kl)		31 kl and above (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds)				1,962	2,631	2,868	3,183
Waste water tariffs									
Erven charge - Block 1 (c/kl)		Measuring up to 500m ² in				4,243	4,498	4,768	5,054
Erven charge - Block 2 (c/kl)		Measuring up to 1000m ² in				5,657	5,996	6,356	6,737
Erven charge - Block 3 (c/kl)		Measuring up to 2000m ² in				7,116	7,543	7,996	8,475
Erven charge - Block 4 (c/kl)		Plus: For every additional (fill in structure) (fill in structure) (fill in structure) (fill in structure) (fill in structure)				2,990	3,169	3,359	3,561
Electricity tariffs									
Meter - IBT Block 1 (c/kwh)		0 - 50 kWh				87	93	99	107
Meter - IBT Block 2 (c/kwh)		51 - 350 kWh				112	119	128	138
Meter - IBT Block 3 (c/kwh)		351 - 600 kWh				163	175	187	202
Meter - IBT Block 4 (c/kwh)		601 kWh and above (fill in thresholds)				194	207	221	239
Meter - IBT Block 5 (c/kwh)									
Prepaid - IBT Block 1 (c/kwh)		0 - 50 kWh				88	94	100	108
Prepaid - IBT Block 2 (c/kwh)		51 - 350 kWh				112	120	128	138
Prepaid - IBT Block 3 (c/kwh)		351 - 600 kWh				166	177	190	205
Prepaid - IBT Block 4 (c/kwh)		601 kWh and above (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds)				192	206	220	238

Table 34 MBRR Table SA 14 – Households bills

LIM368 Modimolle-Mookgopong - Supporting Table SA14 Household bills

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19 % incr.	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates					602.31	602.31	602.31		668.57	752.14	853.68
Electricity: Basic levy					117.20	117.20	117.20		125.22	134.61	144.71
Electricity: Consumption					1 489.72	1 489.72	1 489.72		1 591.62	1 710.99	1 839.32
Water: Basic levy					60.00	60.00	60.00		67.20	68.04	68.92
Water: Consumption					429.70	429.70	429.70		481.26	487.28	493.61
Sanitation					331.45	331.45	331.45		351.34	372.42	394.77
Refuse removal					101.85	101.85	101.85		106.94	112.29	117.90
Other											
sub-total		-	-	-	3 132.23	3 132.23	3 132.23	8.3%	3 392.15	3 637.77	3 912.91
VAT on Services					354.19	354.19	354.19		389.75	412.65	437.18
Total large household bill:		-	-	-	3 486.42	3 486.42	3 486.42	8.5%	3 781.91	4 050.42	4 350.08
% increase/decrease					-	-	-		8.5%	7.1%	7.4%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates					421.98	421.98	421.98		447.30	474.14	502.58
Electricity: Basic levy					117.20	117.20	117.20		125.22	134.61	144.71
Electricity: Consumption					602.13	602.13	602.13		643.32	691.57	743.44
Water: Basic levy					60.00	60.00	60.00		67.20	68.04	68.92
Water: Consumption					340.10	340.10	340.10		380.92	385.68	390.70
Sanitation					316.86	316.86	316.86		335.87	356.02	377.38
Refuse removal					101.85	101.85	101.85		106.94	112.29	117.90
Other											
sub-total		-	-	-	1 960.12	1 960.12	1 960.12	7.5%	2 106.77	2 222.35	2 345.63
VAT on Services					215.34	215.34	215.34		248.92	262.23	276.46
Total small household bill:		-	-	-	2 175.46	2 175.46	2 175.46	8.3%	2 355.69	2 484.58	2 622.09
% increase/decrease					-	-	-		8.3%	5.5%	5.5%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption					329.73	329.73	329.73	6.8%	352.28	378.70	407.10
Water: Basic levy					-	-	-				
Water: Consumption					134.20	134.20	134.20	12.0%	150.30	152.18	154.16
Sanitation											
Refuse removal											
Other											
sub-total		-	-	-	463.93	463.93	463.93	8.3%	502.58	530.88	561.26
VAT on Services					64.95	64.95	64.95		75.39	79.63	84.19
Total small household bill:		-	-	-	528.88	528.88	528.88	9.3%	577.97	610.51	645.45
% increase/decrease					-	-	-		9.3%	5.6%	5.7%

Table 32 MBRR Table SA 15 - Investment particulars by type

LIM368 Modimolle-Mookgopong - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank				1,028	3,506	3,512	3,512	1,838	3,050	6,063
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	-	-	1,028	3,506	3,512	3,512	1,838	3,050	6,063
Consolidated total:		-	-	1,028	3,506	3,512	3,512	1,838	3,050	6,063

Table 33 MBRR Table SA16 - Investment particulars by maturity

LIM368 Modimolle-Mookgophong - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent municipality														
FNB - 710 5722 0470		12 months	Guarantee	Yes	Variable	0.0755			31 October 2018	900	-	-	-	900
ABSA-405 963 6391		Monthly	Call account	Yes	Variable	0.0635			30 June 2019	51	23	-	-	73
FNB - 620 3596 2720		Monthly	Call account	Yes	Variable	0.0405			30 June 2019	552	20	-	-	572
ABSA - 925 502 6252		Monthly	Call account	Yes	Variable	0.062			30 June 2019	58	12	-	-	70
NEDBANK - 788 1103 124		Monthly	Call account	Yes	Fixed	0.063			30 June 2019	29	13	-	-	43
ABSA-92 8651 1602		Monthly	Call account	Yes	Variable	0.052			30 June 2019	23	3	-	-	25
FNB-921 0442 5295		Monthly	Call account	Yes	Variable	0.02			30 June 2019	31	1	-	-	32
FNB-627 4815 7056		Monthly	Call account	Yes	Variable	0.0635			30 June 2019	91	32	-	-	123
														-
Municipality sub-total										1,735		-	-	1,838
TOTAL INVESTMENTS AND INTEREST	1									1,735		-	-	1,838

Table 34 MBRR Table SA 17 – Borrowing

LIM368 Modimolle-Mookgopong - Supporting Table SA17 Borrowing

Borrowing - Categorised by type R thousand	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Parent municipality										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases				38,014	4,000	4,000	4,000	42,102	45,164	49,229
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	-	-	38,014	4,000	4,000	4,000	42,102	45,164	49,229
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	-	-	38,014	4,000	4,000	4,000	42,102	45,164	49,229

Table 35 MBRR Table SA 18 - Transfers and grant receipts

LIM368 Modimolle-Mookgopong - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		-	-	102,226	103,955	103,955	103,955	106,810	114,008	122,544
Local Government Equitable Share				83,447	93,384	93,384	93,384	100,804	109,080	118,015
Finance Management				3,539	4,045	4,045	4,045	4,115	3,000	2,500
Municipal Infrastructure Grant (MIG) 5%				1,813	1,960	1,960	1,960	1,891	1,928	2,029
Municipal Demarcation Transfer				13,428	4,566	4,566	4,566	-	-	-
Other transfers/grants [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	2,302	1,160	1,160	1,160	1,021	-	-
Expanded Public Works Programme				2,302	1,160	1,160	1,160	1,021	-	-
Total Operating Transfers and Grants	5	-	-	104,528	105,115	105,115	105,115	107,831	114,008	122,544
Capital Transfers and Grants										
National Government:		-	-	86,031	125,231	130,231	130,231	95,935	126,630	133,505
Water Services Infrastructural Grant (WSIG)				45,000	80,000	80,000	80,000	50,000	90,000	94,950
Integrated National Electrification Programme (INEG)				8,000	8,000	8,000	8,000	10,000	-	-
Municipal Infrastructure Grant (MIG)				33,031	37,231	42,231	42,231	35,935	36,630	38,555
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
Expanded Public Works										
Total Capital Transfers and Grants	5	-	-	86,031	125,231	130,231	130,231	95,935	126,630	133,505
TOTAL RECEIPTS OF TRANSFERS & GRANTS		-	-	190,560	230,345	235,345	235,345	203,766	240,638	256,049

Table 36 MBRR Table SA 19 - Expenditure on transfers and grant programme

LIM368 Modimolle-Mookgopong - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		-	-	87,053	103,955	103,955	103,955	106,810	114,008	122,544
Local Government Equitable Share				77,122	93,384	93,384	93,384	100,804	109,080	118,015
Finance Management				2,898	4,045	4,045	4,045	4,115	3,000	2,500
Municipal Infrastructure Grant (MIG) 5%				1,477	1,960	1,960	1,960	1,891	1,928	2,029
Municipal Demarcation Transfer				5,556	4,566	4,566	4,566	-	-	-
Other transfers/grants [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	2,302	1,160	1,160	1,160	1,021	-	-
Expanded Public Works Programme				2,302	1,160	1,160	1,160	1,021	-	-
Total operating expenditure of Transfers and Grants		-	-	89,355	105,115	105,115	105,115	107,831	114,008	122,544
Capital expenditure of Transfers and Grants										
National Government:		-	-	84,289	125,231	130,231	130,231	95,935	126,630	133,505
Water Services Infrastructural Grant (WSIG)				38,397	80,000	80,000	80,000	50,000	90,000	94,950
Integrated National Electrification Programme (INEG)				6,185	8,000	8,000	8,000	10,000	-	-
Municipal Infrastructure Grant (MIG)				39,708	37,231	42,231	42,231	35,935	36,630	38,555
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
Expanded Public Works										
Total capital expenditure of Transfers and Grants		-	-	84,289	125,231	130,231	130,231	95,935	126,630	133,505
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	-	173,644	230,345	235,345	235,345	203,766	240,638	256,049

Table 37 MBRR Table SA 20 - Reconciliation of transfers, grant receipts and unspent funds

LIM368 Modimolle-Mookgophong - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts				87,110	103,955	103,955	103,955	106,810	114,008	122,544
Conditions met - transferred to revenue		-	-	87,110	103,955	103,955	103,955	106,810	114,008	122,544
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts				2,302	1,160	1,160	1,160	1,021	-	-
Conditions met - transferred to revenue		-	-	2,302	1,160	1,160	1,160	1,021	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		-	-	89,412	105,115	105,115	105,115	107,831	114,008	122,544
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year								64,578		
Current year receipts				87,190	125,231	130,231	65,115	95,935	126,630	133,505
Conditions met - transferred to revenue		-	-	87,190	125,231	130,231	65,115	95,935	126,630	133,505
Conditions still to be met - transferred to liabilities								64,578		
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		-	-	87,190	125,231	130,231	65,115	95,935	126,630	133,505
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	64,578	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		-	-	176,602	230,345	235,345	170,230	203,766	240,638	256,049
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	64,578	-	-



Table 38 MBRR Table SA21 - Transfers and grants made by the municipality

LIM368 Modimolle-Mookgophong - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
<u>Cash Transfers to other municipalities</u>											
<i>Insert description</i>	1										
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Entities/Other External Mechanisms</u>											
<i>Free Basic Services(ESKOM)</i>	2								890	944	1 000
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	890	944	1 000
<u>Cash Transfers to other Organs of State</u>											
<i>Insert description</i>	3										
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Organisations</u>											
<i>Insert description</i>											
Total Cash Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Groups of Individuals</u>											
<i>Insert description</i>											
Total Cash Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	-	-	-	-	-	-	-	890	944	1 000

Table 39 MBRR Table SA 22 - Summary councilor and staff benefits

LIM368 Modimolle-Mookgopong - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages				1 724	5 753	5 753	5 753	5 905	6 261	6 613
Pension and UIF Contributions				895	863	863	863	890	943	1 009
Medical Aid Contributions				251	91	91	91	116	121	130
Motor Vehicle Allowance				2 506	2 236	2 236	2 236	2 294	2 432	2 602
Cellphone Allowance				591	776	776	776	804	852	912
Housing Allowances										
Other benefits and allowances				6 013				90	96	102
Sub Total - Councillors		-	-	11 980	9 718	9 718	9 718	10 099	10 705	11 369
% increase	4		-	-	(18.9%)	-	-	3.9%	6.0%	6.2%
Senior Managers of the Municipality	2									
Basic Salaries and Wages				8 361	4 221	3 112	3 112	4 577	3 880	4 149
Pension and UIF Contributions				1 600	865	342	342	779	630	674
Medical Aid Contributions				422	69	69	69	44	94	102
Overtime				-	-	-	-	-	-	-
Performance Bonus				-	-	-	-	-	-	-
Motor Vehicle Allowance	3			1 906	1 108	595	595	1 324	1 437	1 538
Cellphone Allowance	3			163	109	83	83	121	103	111
Housing Allowances	3			15	-	-	-	-	-	-
Other benefits and allowances	3			600	1	0	0	61	55	59
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		-	-	13 067	6 372	4 202	4 202	6 906	6 199	6 633
% increase	4		-	-	(51.2%)	(34.1%)	-	64.4%	(10.2%)	7.0%
Other Municipal Staff										
Basic Salaries and Wages				94 827	120 315	116 048	116 048	126 686	131 742	139 743
Pension and UIF Contributions				18 251	24 826	23 952	23 952	25 621	29 234	31 012
Medical Aid Contributions				6 095	7 701	7 473	7 473	8 897	8 649	9 176
Overtime				8 048	4 596	6 983	6 983	7 471	7 891	8 372
Performance Bonus				-	-	-	-	-	-	-
Motor Vehicle Allowance	3			7 175	9 301	9 410	9 410	9 348	12 046	12 768
Cellphone Allowance	3			1 138	689	675	675	716	1 541	1 634
Housing Allowances	3			664	566	635	635	600	577	612
Other benefits and allowances	3			7 634	7 762	4 542	4 542	9 068	9 611	10 197
Payments in lieu of leave				772	1 604	1 604	1 604	1 716	1 813	1 923
Long service awards				904	2 084	1 284	1 284	1 374	1 451	1 540
Post-retirement benefit obligations	6			476	4 856	4 856	4 856	4 241	1 410	1 496
Sub Total - Other Municipal Staff		-	-	145 986	184 301	177 462	177 462	195 738	205 965	218 473
% increase	4		-	-	26.2%	(3.7%)	-	10.3%	5.2%	6.1%
Total Parent Municipality		-	-	171 033	200 392	191 382	191 382	212 743	222 869	236 475
			-	-	17.2%	(4.5%)	-	11.2%	4.8%	6.1%
TOTAL SALARY, ALLOWANCES & BENEFITS		-	-	171 033	200 392	191 382	191 382	212 743	222 869	236 475
% increase	4		-	-	17.2%	(4.5%)	-	11.2%	4.8%	6.1%
TOTAL MANAGERS AND STAFF	5,7	-	-	159 053	190 673	181 664	181 664	202 644	212 164	225 106

Table 40 MBRR Table SA 23 - Salaries, allowances & benefits (political office bearers/ councilors/senior managers)

LIM368 Modimolle-Mookgopong - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		415 259	68 310	186 903			670 472
Chief Whip			389 306	64 058	176 954			630 318
Executive Mayor			503 296	100 938	226 698			830 933
Deputy Executive Mayor			–	–	–			–
Executive Committee			828 992	173 334	440 757			1 443 083
Total for all other councillors			3 793 376	663 897	2 066 938			6 524 211
Total Councillors	8	–	5 930 229	1 070 539	3 098 250			10 099 018
Senior Managers of the Municipality	5							
Municipal Manager (MM)			865 966	201 856	429 129			1 496 951
Chief Finance Officer			863 673	196 952	209 517			1 270 142
Manager: Technical Services			637 753	145 510	157 290			940 554
Manager: Social and Community Services			645 251	166 788	118 770			930 809
Manager: Cooperate Services			776 173	20 920	264 999			1 062 092
Manager: Planning and Economic Development			788 220	152 126	264 999			1 205 345
List of each official with packages >= senior manager								
Total Senior Managers of the Municipality	8,10	–	4 577 035	884 153	1 444 704	–		6 905 892
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	–	10 507 264	1 954 692	4 542 954	–		17 004 910

Table 41 MBRR Table SA 24 - Summary of personnel numbers

LIM368 Modimolle-Mookgophong - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers		Ref	2016/17			Current Year 2017/18			Budget Year 2018/19		
Number		1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities											
Councillors (Political Office Bearers plus Other Councillors)						28	6	18	28	3	25
Board Members of municipal entities	4					-	-	-	-	-	-
Municipal employees											
Municipal Manager and Senior Managers	5										
Other Managers	3					23	17	6	3	-	6
Professionals	7					16	16	-	16	16	-
Finance			-	-	-	28	22	-	43	40	3
Spatial/town planning						7	5	-	22	22	-
Information Technology						3	3	-	3	3	-
Roads						3	2	-	3	2	1
Electricity						1	1	-	1	1	-
Water						3	2	-	3	3	-
Sanitation						1	1	-	1	1	-
Refuse						1	1	-	1	1	-
Other						8	6	-	8	6	2
Technicians			-	-	-	259	232	3	259	239	20
Finance						71	65	1	71	65	6
Spatial/town planning						6	6	-	6	6	-
Information Technology						1	1	-	1	1	-
Roads						23	23	-	23	23	-
Electricity						35	38	-	35	35	-
Water						46	30	-	46	40	6
Sanitation						30	27	-	30	27	3
Refuse						32	28	-	32	28	4
Other						15	14	2	15	14	1
Clerks (Clerical and administrative)						95	91	4	95	91	4
Service and sales workers						-	-	-	-	-	-
Skilled agricultural and fishery workers						1	1	-	1	1	-
Craft and related trades						-	-	-	-	-	-
Plant and Machine Operators						50	50	-	50	50	-
Elementary Occupations						162	162	-	108	108	-
TOTAL PERSONNEL NUMBERS	9		-	-	-	662	597	31	603	548	58
% increase						-	-	-	(8.9%)	(8.2%)	87.1%
Total municipal employees headcount	6, 10					640	609	31	603	545	58
Finance personnel headcount	8, 10					80	70	5	93	87	6
Human Resources personnel headcount	8, 10					15	12	1	15	14	1

Table 42 MBRR Table SA25 - Budgeted monthly revenue and expenditure

LIM368 Modimolle-Mookgophong - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source																
Property rates		8 596	8 596	8 596	8 596	8 596	8 596	8 596	8 596	8 596	8 596	8 596	8 596	103 157	109 213	116 440
Service charges - electricity revenue		11 075	11 075	11 075	11 075	11 075	11 075	11 075	11 075	11 075	11 075	11 075	11 298	133 122	177 671	187 292
Service charges - water revenue		4 404	4 404	4 404	4 404	4 404	4 404	4 404	4 404	4 404	4 404	4 404	4 626	53 066	53 468	56 349
Service charges - sanitation revenue		1 484	1 484	1 484	1 484	1 484	1 484	1 484	1 484	1 484	1 484	1 484	1 707	18 034	19 285	20 347
Service charges - refuse revenue		1 469	1 469	1 469	1 469	1 469	1 469	1 469	1 469	1 469	1 469	1 469	1 691	17 847	19 064	20 113
Service charges - other													-	-	-	-
Rental of facilities and equipment		61	61	61	61	61	61	61	61	61	61	61	61	729	768	810
Interest earned - external investments		9	9	9	9	9	9	9	9	9	9	9	9	104	120	150
Interest earned - outstanding debtors		3 075	3 075	3 075	3 075	3 075	3 075	3 075	3 075	3 075	3 075	3 075	3 075	36 897	38 890	41 029
Dividends received													-	-	-	-
Fines, penalties and forfeits		37	37	37	37	37	37	37	37	37	37	37	37	446	660	697
Licences and permits		158	158	158	158	158	158	158	158	158	158	158	158	1 900	4 668	4 925
Agency services													-	-	-	-
Transfers and subsidies		8 986	8 986	8 986	8 986	8 986	8 986	8 986	8 986	8 986	8 986	8 986	8 986	107 831	114 008	122 544
Other revenue		385	385	385	385	385	385	385	385	385	385	385	385	4 616	5 619	5 928
Gains on disposal of PPE													-	-	-	-
Total Revenue (excluding capital transfers and contribution)		39 738	39 738	39 738	39 738	39 738	39 738	39 738	39 738	39 738	39 738	39 738	40 629	477 748	543 433	576 623
Expenditure By Type																
Employee related costs		16 887	16 887	16 887	16 887	16 887	16 887	16 887	16 887	16 887	16 887	16 887	16 887	202 644	212 164	225 106
Remuneration of councillors		842	842	842	842	842	842	842	842	842	842	842	842	10 099	10 715	11 369
Debt impairment		3 254	3 254	3 254	3 254	3 254	3 254	3 254	3 254	3 254	3 254	3 254	3 254	39 045	40 711	42 473
Depreciation & asset impairment		5 078	5 078	5 078	5 078	5 078	5 078	5 078	5 078	5 078	5 078	5 078	5 078	60 937	63 777	66 847
Finance charges		477	477	477	477	477	477	477	477	477	477	477	477	5 727	6 103	6 505
Bulk purchases		16 336	16 336	16 336	16 336	16 336	16 336	16 336	16 336	16 336	16 336	16 336	16 336	196 034	211 717	228 808
Other materials		1 873	1 873	1 873	1 873	1 873	1 873	1 873	1 873	1 873	1 873	1 873	1 873	22 477	24 428	26 549
Contracted services		5 614	5 614	5 614	5 614	5 614	5 614	5 614	5 614	5 614	5 614	5 614	5 614	67 368	69 551	73 647
Transfers and subsidies		74	74	74	74	74	74	74	74	74	74	74	74	890	944	1 000
Other expenditure		2 401	2 401	2 401	2 401	2 401	2 401	2 401	2 401	2 401	2 401	2 401	2 401	28 811	30 580	32 566
Loss on disposal of PPE													-	-	-	-
Total Expenditure		52 836	52 836	52 836	52 836	52 836	52 836	52 836	52 836	52 836	52 836	52 836	52 836	634 030	670 690	714 870
Surplus/(Deficit)		(13 098)	(13 098)	(13 098)	(13 098)	(13 098)	(13 098)	(13 098)	(13 098)	(13 098)	(13 098)	(13 098)	(12 207)	(156 282)	(127 257)	(138 247)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	1 919	5 756	8 634	10 553	12 951	5 756	7 675	9 593	11 512	15 350	6 236	95 935	126 630	133 505
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)													-	-	-	-
Transfers and subsidies - capital (in-kind - all)													-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(13 098)	(11 179)	(7 342)	(4 464)	(2 545)	(147)	(7 342)	(5 423)	(3 504)	(1 586)	2 252	(5 972)	(60 347)	(626)	(4 742)
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	(13 098)	(11 179)	(7 342)	(4 464)	(2 545)	(147)	(7 342)	(5 423)	(3 504)	(1 586)	2 252	(5 972)	(60 347)	(626)	(4 742)

Table 43 MBRR Table SA 26 - Budgeted monthly revenue and expenditure (municipal vote)

LIM368 Modimolle-Mookgopong - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand																
Revenue by Vote																
Vote 1 - Public Office Bearers													–	–	–	–
Vote 2 - Municipal Manager		6	6	6	6	6	6	6	6	6	6	6	6	74	77	81
Vote 3 - Budget and Treasury		12 249	12 249	12 249	12 249	12 249	12 249	12 249	12 249	12 249	12 249	12 249	12 249	146 983	151 967	161 976
Vote 4 - Planning and Economic Development		8 511	8 511	8 511	8 511	8 511	8 511	8 511	8 511	8 511	8 511	8 511	8 511	102 134	109 248	115 628
Vote 5 - Technical Services		25 132	25 132	25 132	25 132	25 132	25 132	25 132	25 132	25 132	25 132	25 132	25 800	302 254	383 164	405 332
Vote 6 - Corporate Services		95	95	95	95	95	95	95	95	95	95	95	95	1 142	1 197	1 267
Vote 7 - Community and Social Services		1 739	1 739	1 739	1 739	1 739	1 739	1 739	1 739	1 739	1 739	1 739	1 962	21 095	24 410	25 844
Vote 8 - [NAME OF VOTE 8]													–	–	–	–
Vote 9 - [NAME OF VOTE 9]													–	–	–	–
Vote 10 - [NAME OF VOTE 10]													–	–	–	–
Vote 11 - [NAME OF VOTE 11]													–	–	–	–
Vote 12 - [NAME OF VOTE 12]													–	–	–	–
Vote 13 - [NAME OF VOTE 13]													–	–	–	–
Vote 14 - [NAME OF VOTE 14]													–	–	–	–
Vote 15 - [NAME OF VOTE 15]													–	–	–	–
Total Revenue by Vote		47 733	47 733	47 733	47 733	47 733	47 733	47 733	47 733	47 733	47 733	47 733	48 623	573 683	670 063	710 128
Expenditure by Vote to be appropriated																
Vote 1 - Public Office Bearers		1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	1 354	16 250	16 231	17 151
Vote 2 - Municipal Manager		2 713	2 713	2 713	2 713	2 713	2 713	2 713	2 713	2 713	2 713	2 713	2 713	32 551	36 856	37 512
Vote 3 - Budget and Treasury		6 808	6 808	6 808	6 808	6 808	6 808	6 808	6 808	6 808	6 808	6 808	6 808	81 692	96 306	100 311
Vote 4 - Planning and Economic Development		1 362	1 362	1 362	1 362	1 362	1 362	1 362	1 362	1 362	1 362	1 362	1 362	16 338	21 918	20 730
Vote 5 - Technical Services		28 628	28 628	28 628	28 628	28 628	28 628	28 628	28 628	28 628	28 628	28 628	28 628	343 532	351 772	379 972
Vote 6 - Corporate Services		6 251	6 251	6 251	6 251	6 251	6 251	6 251	6 251	6 251	6 251	6 251	6 251	75 007	67 581	71 736
Vote 7 - Community and Social Services		5 722	5 722	5 722	5 722	5 722	5 722	5 722	5 722	5 722	5 722	5 722	5 722	68 661	80 026	87 457
Vote 8 - [NAME OF VOTE 8]													–	–	–	–
Vote 9 - [NAME OF VOTE 9]													–	–	–	–
Vote 10 - [NAME OF VOTE 10]													–	–	–	–
Vote 11 - [NAME OF VOTE 11]													–	–	–	–
Vote 12 - [NAME OF VOTE 12]													–	–	–	–
Vote 13 - [NAME OF VOTE 13]													–	–	–	–
Vote 14 - [NAME OF VOTE 14]													–	–	–	–
Vote 15 - [NAME OF VOTE 15]													–	–	–	–
Total Expenditure by Vote		52 836	52 836	52 836	52 836	52 836	52 836	52 836	52 836	52 836	52 836	52 836	52 836	634 030	670 690	714 870
Surplus/(Deficit) before assoc.		(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(4 213)	(60 347)	(626)	(4 742)
Taxation													–	–	–	–
Attributable to minorities													–	–	–	–
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(4 213)	(60 347)	(626)	(4 742)

Table 44 MBRR Table SA 27 - Budgeted monthly revenue and expenditure (standard classification)

LIM368 Modimolle-Mookgophong - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Functional																
<i>Governance and administration</i>		12 350	12 350	12 350	12 350	12 350	12 350	12 350	12 350	12 350	12 350	12 350	12 350	148 199	153 878	163 996
Executive and council														–	–	–
Finance and administration		12 350	12 350	12 350	12 350	12 350	12 350	12 350	12 350	12 350	12 350	12 350	12 350	148 199	153 878	163 996
Internal audit														–	–	–
<i>Community and public safety</i>		75	75	75	75	75	75	75	75	75	75	75	75	903	953	1 009
Community and social services		74	74	74	74	74	74	74	74	74	74	74	74	890	939	994
Sport and recreation		1	1	1	1	1	1	1	1	1	1	1	1	13	14	15
Public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Housing														–	–	–
Health														–	–	–
<i>Economic and environmental services</i>		16 859	16 859	16 859	16 859	16 859	16 859	16 859	16 859	16 859	16 859	16 859	16 859	202 305	251 794	266 515
Planning and development		16 663	16 663	16 663	16 663	16 663	16 663	16 663	16 663	16 663	16 663	16 663	16 663	199 960	246 978	261 410
Road transport		195	195	195	195	195	195	195	195	195	195	195	195	2 345	4 816	5 105
Environmental protection														–	–	–
<i>Trading services</i>		18 449	18 449	18 449	18 449	18 449	18 449	18 449	18 449	18 449	18 449	18 449	19 339	222 275	263 438	278 609
Energy sources		11 092	11 092	11 092	11 092	11 092	11 092	11 092	11 092	11 092	11 092	11 092	11 315	133 328	173 494	183 413
Water management		4 404	4 404	4 404	4 404	4 404	4 404	4 404	4 404	4 404	4 404	4 404	4 626	53 066	52 363	55 420
Waste water management		1 484	1 484	1 484	1 484	1 484	1 484	1 484	1 484	1 484	1 484	1 484	1 707	18 034	18 800	19 898
Waste management		1 469	1 469	1 469	1 469	1 469	1 469	1 469	1 469	1 469	1 469	1 469	1 691	17 847	18 780	19 877
<i>Other</i>													–	–	–	–
Total Revenue - Functional		47 733	47 733	47 733	47 733	47 733	47 733	47 733	47 733	47 733	47 733	47 733	48 623	573 683	670 063	710 128
Expenditure - Functional																
<i>Governance and administration</i>		17 125	17 125	17 125	17 125	17 125	17 125	17 125	17 125	17 125	17 125	17 125	17 125	205 500	216 974	226 710
Executive and council		3 259	3 259	3 259	3 259	3 259	3 259	3 259	3 259	3 259	3 259	3 259	3 259	39 107	41 983	42 879
Finance and administration		13 613	13 613	13 613	13 613	13 613	13 613	13 613	13 613	13 613	13 613	13 613	13 613	163 352	171 151	179 756
Internal audit		253	253	253	253	253	253	253	253	253	253	253	253	3 041	3 840	4 075
<i>Community and public safety</i>		2 251	2 251	2 251	2 251	2 251	2 251	2 251	2 251	2 251	2 251	2 251	2 251	27 007	31 364	33 286
Community and social services		763	763	763	763	763	763	763	763	763	763	763	763	9 154	16 520	17 532
Sport and recreation		1 169	1 169	1 169	1 169	1 169	1 169	1 169	1 169	1 169	1 169	1 169	1 169	14 029	11 750	12 469
Public safety		319	319	319	319	319	319	319	319	319	319	319	319	3 824	3 095	3 284
Housing													–	–	–	–
Health													–	–	–	–
<i>Economic and environmental services</i>		6 314	6 314	6 314	6 314	6 314	6 314	6 314	6 314	6 314	6 314	6 314	6 314	75 764	104 017	107 718
Planning and development		1 538	1 538	1 538	1 538	1 538	1 538	1 538	1 538	1 538	1 538	1 538	1 538	18 457	24 160	23 102
Road transport		4 776	4 776	4 776	4 776	4 776	4 776	4 776	4 776	4 776	4 776	4 776	4 776	57 307	79 857	84 616
Environmental protection													–	–	–	–
<i>Trading services</i>		27 147	27 147	27 147	27 147	27 147	27 147	27 147	27 147	27 147	27 147	27 147	27 147	325 760	318 335	347 155
Energy sources		17 967	17 967	17 967	17 967	17 967	17 967	17 967	17 967	17 967	17 967	17 967	17 967	215 606	204 365	223 177
Water management		5 357	5 357	5 357	5 357	5 357	5 357	5 357	5 357	5 357	5 357	5 357	5 357	64 284	66 955	71 408
Waste water management		1 502	1 502	1 502	1 502	1 502	1 502	1 502	1 502	1 502	1 502	1 502	1 502	18 020	12 166	13 058
Waste management		2 321	2 321	2 321	2 321	2 321	2 321	2 321	2 321	2 321	2 321	2 321	2 321	27 850	34 849	39 512
<i>Other</i>													–	–	–	–
Total Expenditure - Functional		52 836	52 836	52 836	52 836	52 836	52 836	52 836	52 836	52 836	52 836	52 836	52 836	634 030	670 690	714 870
Surplus/(Deficit) before assoc.		(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(4 213)	(60 347)	(626)	(4 742)
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(5 103)	(4 213)	(60 347)	(626)	(4 742)

Table 45 MBRR Table SA28 - Budgeted monthly capital expenditure (municipal vote)

LIM368 Modimolle-Mookgopong - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Multi-year expenditure to be appropriated	1															
Vote 1 - Public Office Bearers													-	-	-	-
Vote 2 - Municipal Manager													-	-	-	-
Vote 3 - Budget and Treasury													-	-	-	-
Vote 4 - Planning and Economic Development													-	-	-	-
Vote 5 - Technical Services			2 287	6 860	10 289	12 576	14 164	6 860	9 146	7 770	6 682	12 673	24 872	114 177	108 500	130 393
Vote 6 - Corporate Services													-	-	-	-
Vote 7 - Community and Social Services			150	450	675	825	1 013	450	600	750	900	1 200	636	7 648	18 130	3 112
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital multi-year expenditure sub-total	2	-	2 437	7 310	10 964	13 401	15 177	7 310	9 746	8 520	7 582	13 873	25 508	121 826	126 630	133 505
Single-year expenditure to be appropriated																
Vote 1 - Public Office Bearers													-	-	-	-
Vote 2 - Municipal Manager													-	-	-	-
Vote 3 - Budget and Treasury													-	-	-	-
Vote 4 - Planning and Economic Development													-	-	-	-
Vote 5 - Technical Services			774	2 321	3 482	4 256	4 820	2 321	3 095	3 869	4 642	3 560	5 548	38 687	-	-
Vote 6 - Corporate Services													-	-	-	-
Vote 7 - Community and Social Services													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital single-year expenditure sub-total	2	-	774	2 321	3 482	4 256	4 820	2 321	3 095	3 869	4 642	3 560	5 548	38 687	-	-
Total Capital Expenditure	2	-	3 210	9 631	14 446	17 656	19 996	9 631	12 841	12 388	12 225	17 433	31 056	160 513	126 630	133 505

Table 46 MBRR Table SA 29 - Budgeted monthly capital expenditure (standard classification)

LIM368 Modimolle-Mookgopong - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Expenditure - Functional	1															
<i>Governance and administration</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Executive and council														-	-	-
Finance and administration														-	-	-
Internal audit														-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services														-	-	-
Sport and recreation														-	-	-
Public safety														-	-	-
Housing														-	-	-
Health														-	-	-
<i>Economic and environmental services</i>		-	104	313	469	574	704	313	417	522	626	1 879	5 702	11 623	-	-
Planning and development														-	-	-
Road transport			104	313	469	574	704	313	417	522	626	1 879	5 702	11 623	-	-
Environmental protection														-	-	-
<i>Trading services</i>		-	3 106	9 318	13 977	17 083	19 292	9 318	12 424	11 866	11 600	15 554	25 353	148 890	126 630	133 505
Energy sources			200	600	900	1 100	1 350	600	800	1 000	1 200	799	1 451	10 000	-	-
Water management			2 073	6 218	9 327	11 400	12 317	6 218	8 291	6 700	5 400	356	5 830	74 129	98 500	100 393
Waste water management			683	2 050	3 075	3 758	4 612	2 050	2 733	3 416	4 100	13 500	17 136	57 112	10 000	30 000
Waste management			150	450	675	825	1 013	450	600	750	900	899	937	7 648	18 130	3 112
<i>Other</i>														-	-	-
Total Capital Expenditure - Functional	2	-	3 210	9 631	14 446	17 656	19 996	9 631	12 841	12 388	12 225	17 433	31 055	160 513	126 630	133 505
Funded by:																
National Government			1 919	5 756	8 634	10 553	11 951	5 756	7 675	9 593	4 475	9 783	19 839	95 935	126 630	133 505
Provincial Government														-	-	-
District Municipality														-	-	-
Other transfers and grants														-	-	-
Transfers recognised - capital		-	1 919	5 756	8 634	10 553	11 951	5 756	7 675	9 593	4 475	9 783	19 839	95 935	126 630	133 505
Public contributions & donations														-	-	-
Borrowing														-	-	-
Internally generated funds			1 292	3 875	5 812	7 104	8 045	3 875	5 166	2 795	7 749	7 650	11 216	64 578	-	-
Total Capital Funding		-	3 210	9 631	14 446	17 656	19 996	9 631	12 841	12 388	12 225	17 433	31 056	160 513	126 630	133 505

Table 47 MBRR Table SA30 - Budgeted monthly cash flow

LIM368 Modimolle-Mookgophong - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash Receipts By Source													1		
Property rates	6 275	6 275	6 275	6 275	6 275	6 275	6 275	6 275	6 275	6 275	6 275	6 275	75 305	79 726	85 001
Service charges - electricity revenue	9 967	9 967	9 967	9 967	9 967	9 967	9 967	9 967	9 967	9 967	9 967	9 967	119 609	140 174	153 374
Service charges - water revenue	2 642	2 642	2 642	2 642	2 642	2 642	2 642	2 642	2 642	2 642	2 642	2 642	31 706	42 586	47 684
Service charges - sanitation revenue	891	891	891	891	891	891	891	891	891	891	891	891	10 687	14 858	16 077
Service charges - refuse revenue	734	734	734	734	734	734	734	734	734	734	734	734	8 812	13 933	15 295
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	39	39	39	39	39	39	39	39	39	39	39	39	474	384	405
Interest earned - external investments	9	9	9	9	9	9	9	9	9	9	9	9	104	573	848
Interest earned - outstanding debtors	461	461	461	461	461	461	461	461	461	461	461	461	5 535	23 334	28 720
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	19	19	19	19	19	19	19	19	19	19	19	19	223	462	502
Licences and permits	127	127	127	127	127	127	127	127	127	127	127	127	1 520	3 734	4 088
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operational	48 263	-	-	-	-	34 061	-	-	25 507	-	-	-	107 831	114 008	122 544
Other revenue	222	222	222	222	222	222	222	222	222	222	222	222	2 665	2 809	4 149
Cash Receipts by Source	69 650	21 387	21 387	21 387	21 387	55 447	21 387	21 387	46 894	21 387	21 387	21 387	364 470	436 580	478 687
Other Cash Flows by Source															
Transfer receipts - capital	43 442	-	-	-	-	24 758	-	-	27 735	-	-	-	95 935	126 630	133 505
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)													-	-	-
Proceeds on disposal of PPE													-	-	-
Short term loans													-	-	-
Borrowing long term/refinancing													-	-	-
Increase (decrease) in consumer deposits													-	-	-
Decrease (Increase) in non-current debtors													-	-	-
Decrease (increase) other non-current receivables													-	-	-
Decrease (increase) in non-current investments													-	-	-
Total Cash Receipts by Source	113 092	21 387	21 387	21 387	21 387	80 205	21 387	21 387	74 629	21 387	21 387	21 387	460 405	563 210	612 192



Cash Payments by Type															
Employee related costs	16 887	16 887	16 887	16 887	16 887	16 887	16 887	16 887	16 887	16 887	16 887	16 887	202 644	212 164	225 106
Remuneration of councillors	842	842	842	842	842	842	842	842	842	842	842	842	10 099	10 715	11 369
Finance charges	41	41	41	41	41	41	41	41	41	41	41	41	498	580	610
Bulk purchases - Electricity	18 904	18 904	18 904	18 904	18 904	18 904	18 904	18 904	18 904	18 904	18 904	18 904	226 847	243 318	275 427
Bulk purchases - Water & Sewer	2 633	2 633	2 633	2 633	2 633	2 633	2 633	2 633	2 633	2 633	2 633	2 633	31 600	22 050	24 917
Other materials	1 873	1 873	1 873	1 873	1 873	1 873	1 873	1 873	1 873	1 873	1 873	1 873	22 477	17 100	19 646
Contracted services	5 639	5 639	5 639	5 639	5 639	5 639	5 639	5 639	5 639	5 639	5 639	5 639	67 668	69 551	73 647
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	74	74	74	74	74	74	74	74	74	74	74	74	890	944	1 000
Other expenditure	1 189	2 401	2 401	2 401	2 401	2 401	2 401	2 401	2 401	2 401	2 401	3 612	28 811	15 170	19 395
Cash Payments by Type	48 083	49 294	49 294	49 294	49 294	49 294	49 294	49 294	49 294	49 294	49 294	50 506	591 532	591 592	651 118
Other Cash Flows/Payments by Type															
Capital assets	44 733	3 875	5 812	7 104	8 045	28 633	5 166	2 795	35 484	7 650	5 600	5 616	160 513	126 630	133 505
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	92 816	53 169	55 106	56 398	57 339	77 927	54 461	52 089	84 779	56 944	54 894	56 122	752 045	718 222	784 622
NET INCREASE/(DECREASE) IN CASH HELD	20 275	(31 782)	(33 720)	(35 011)	(35 953)	2 278	(33 074)	(30 703)	(10 150)	(35 558)	(33 508)	(34 735)	(291 640)	(155 012)	(172 430)
Cash/cash equivalents at the month/year begin:	(93 239)	(72 964)	(104 746)	(138 466)	(173 477)	(209 430)	(207 152)	(240 226)	(270 928)	(281 078)	(316 636)	(350 144)	(93 239)	(384 879)	(539 891)
Cash/cash equivalents at the month/year end:	(72 964)	(104 746)	(138 466)	(173 477)	(209 430)	(207 152)	(240 226)	(270 928)	(281 078)	(316 636)	(350 144)	(384 879)	(384 879)	(539 891)	(712 322)



Table 48 MBRR Table SA32 – List of external mechanisms

LIM368 Modimolle-Mookgopong - Supporting Table SA32 List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand



Table 49 MBRR Table SA33 – Contracts having future budgetary implications

LIM368 Modimolle-Mookgopong - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
		Total	Original Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1,3					
Parent Municipality:						
<u>Revenue Obligation By Contract</u>	2					
Contract 1						
Contract 2						
Contract 3 etc						
Total Operating Revenue Implication		-	-	-	-	-
<u>Expenditure Obligation By Contract</u>	2					
Security Services			6,890	13,399	14,233	15,119
SITA			287	330	507	625
Munsoft			1,913	1,700	2,300	3,100
Legogo IT & Projects - Valuation Roll			457	500	543	-
Standard Bank - Bank Charges			798	536	797	802
Total Operating Expenditure Implication		-	10,346	16,465	18,380	19,646
<u>Capital Expenditure Obligation By Contract</u>	2					
Contract 1						
Contract 2						
Contract 3 etc						
Total Capital Expenditure Implication		-	-	-	-	-
Total Parent Expenditure Implication		-	10,346	16,465	18,380	19,646

Table 50 MBRR Table SA 34a - Capital expenditure on new assets by asset class

LIM368 Modimolle-Mookgopong - Supporting Table SA34a Capital expenditure on new assets by asset class

Description		Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure on new assets by Asset Class/Sub-class											
Infrastructure			-	-	37,496	49,210	65,570	20,065	50,566	38,130	23,062
Roads Infrastructure			-	-	10,744	6,902	10,431	-	11,623	-	-
Roads					10,744	6,902	10,431	-	11,623		
Road Structures											
Road Furniture											
Capital Spares											
Storm water Infrastructure			-	-	-	-	-	-	-	-	
Drainage Collection											
Storm water Conveyance											
Attenuation											
Electrical Infrastructure			-	-	1,170	4,000	4,000	4,000	3,500	-	-
Power Plants											
HV Substations					1,170	4,000	4,000	4,000	3,500		
HV Switching Station											
HV Transmission Conductors											
MV Substations											
MV Switching Stations											
MV Networks											
LV Networks											
Capital Spares											
Water Supply Infrastructure			-	-	16,051	16,000	17,075	4,181	14,432	20,000	19,950
Dams and Weirs									1,000	10,000	
Boreholes					-	5,500	3,918	4,181	3,194		
Reservoirs					16,051	5,500	8,157	-	5,223		
Pump Stations							-	-			
Water Treatment Works					-	5,000	5,000		4,534	10,000	19,950
Bulk Mains											
Distribution									480		
Distribution Points											
PRV Stations											
Capital Spares											
Sanitation Infrastructure			-	-	8,346	17,808	28,717	6,537	13,363	-	-
Pump Station											
Reticulation					8,346	7,808	18,717	3,187			
Waste Water Treatment Works					-	10,000	10,000	3,350	6,700		
Outfall Sewers									6,663		
Toilet Facilities											
Capital Spares											
Solid Waste Infrastructure			-	-	1,185	4,500	5,347	5,347	7,648	18,130	3,112
Landfill Sites					1,185	4,500	5,347	5,347	7,648	18,130	3,112
Waste Transfer Stations											
Waste Processing Facilities											
Waste Drop-off Points											
Waste Separation Facilities											
Electricity Generation Facilities											
Capital Spares											
Rail Infrastructure			-	-	-	-	-	-	-	-	-
Rail Lines											
Rail Structures											
Rail Furniture											
Drainage Collection											
Storm water Conveyance											
Attenuation											
MV Substations											
LV Networks											
Capital Spares											
Coastal Infrastructure			-	-	-	-	-	-	-	-	-
Sand Pumps											
Piers											
Revetments											
Promenades											
Capital Spares											
Information and Communication Infrastructure			-	-	-	-	-	-	-	-	-
Data Centres											
Core Layers											
Distribution Layers											
Capital Spares											



Community Assets		-	-	2,769	2,844	2,528	2,528	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities		-	-	2,769	2,844	2,528	2,528	-	-	-
Indoor Facilities										
Outdoor Facilities				2,769	2,844	2,528	2,528			
Capital Spares										
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Computer Equipment		-	-	-	-	100	100	-	-	-
Computer Equipment				-		100	100			
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment										
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment										
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets										
Libraries		-	-	-	-	-	-	-	-	-
Libraries										
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on new assets	1	-	-	40,265	52,054	68,198	22,693	50,566	38,130	23,062

Table 51 MBRR Table SA 34b - Capital expenditure on the renewal of existing assets by asset class

LIM368 Modimolle-Mookgopong - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	46,925	5,000	5,069	5,069	15,859	35,000	20,000
Roads Infrastructure		-	-	17,973	-	-	-	-	-	-
Roads				17,973						
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		-	-	4,402	-	-	-	6,500	-	-
Power Plants										
HV Substations				4,402						
HV Switching Station										
HV Transmission Conductors								6,500		
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure		-	-	22,837	-	69	69	302	30,000	10,000
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution				22,837		69	69	302	30,000	10,000
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		-	-	1,712	5,000	5,000	5,000	9,057	5,000	10,000
Pump Station										
Reticulation										
Waste Water Treatment Works				1,712	5,000	5,000	5,000	9,057	5,000	10,000
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on renewal of existing	1	-	-	46,925	5,000	5,069	5,069	15,859	35,000	20,000
Renewal of Existing Assets as % of total capex		0.0%	0.0%	53.8%	4.0%	3.9%	7.8%	9.9%	27.6%	15.0%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	91.3%	6.5%	7.9%	7.9%	26.0%	54.9%	29.9%

Table 52 MBRR Table SA34c - Repair and maintenance expenditure by asset class

LIM368 Modimolle-Mookgopong - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	-	17 225	58 781	97 475	97 475	87 220	92 662	89 562
Roads Infrastructure		-	-	780	13 582	27 339	27 339	24 413	25 936	25 063
Roads				780	13 582	27 339	27 339	24 413	25 936	25 063
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	100	878	1 679	1 679	1 499	1 593	1 539
Drainage Collection				100	208	208	208	186	197	191
Storm water Conveyance				-	670	1 471	1 471	1 313	1 395	1 348
Attenuation										
Electrical Infrastructure		-	-	4 896	16 837	31 209	31 209	28 047	29 797	28 813
Power Plants				-						
HV Substations				4 896	14 969	29 340	29 340	26 199	27 834	26 897
HV Switching Station				-		-	-	-	-	-
HV Transmission Conductors				-	750	750	750	670	711	688
MV Substations				-	1 119	1 119	1 119	999	1 061	1 026
MV Switching Stations										
MV Networks										
LV Networks								179	190	202
Capital Spares										
Water Supply Infrastructure		-	-	8 748	17 848	24 593	24 593	21 961	23 331	22 545
Dams and Weirs										
Boreholes				8 748	870	870	870	777	825	798
Reservoirs					950	950	950	848	901	871
Pump Stations						-	-	-	-	-
Water Treatment Works					1 170	1 170	1 170	1 045	1 110	1 073
Bulk Mains						-	-	-	-	-
Distribution					14 857	21 603	21 603	19 290	20 494	19 804
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		-	-	2 701	9 636	12 656	12 656	11 301	12 006	11 602
Pump Station				-	700	700	700	625	664	642
Reticulation				2 701	1 330	1 330	1 330	1 188	1 262	1 219
Waste Water Treatment Works					7 506	10 526	10 526	9 399	9 985	9 649
Outfall Sewers					100	100	100	89	95	92
Toilet Facilities										
Capital Spares										



Community Assets		-	-	333	391	391	391	349	371	358
Community Facilities		-	-	220	120	120	120	107	114	110
Halls										
Taxi Ranks/Bus Terminals				220	120	120	120	107	114	110
Capital Spares										
Sport and Recreation Facilities		-	-	112	271	271	271	242	257	248
Indoor Facilities										
Outdoor Facilities				112	271	271	271	242	257	248
Capital Spares										
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Other assets		-	-	728	732	732	732	653	694	671
Operational Buildings		-	-	728	732	732	732	653	694	671
Municipal Offices				325	726	726	726	648	688	665
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards				403	6	6	6	5	6	6
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing		-	-	-	-	-	-	-	-	-
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
Intangible Assets		-	-	-	407	407	407	363	386	373
Servitudes										
Licences and Rights		-	-	-	407	407	407	363	386	373
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications				-	407	407	407	363	386	373
Load Settlement Software Applications										
Unspecified										
Computer Equipment		-	-	52	515	515	515	460	489	472
Computer Equipment				52	515	515	515	460	489	472
Furniture and Office Equipment		-	-	70	421	421	421	376	399	386
Furniture and Office Equipment				70	421	421	421	376	399	386
Machinery and Equipment		-	-	2 272	1 189	1 189	1 189	1 362	1 444	1 530
Machinery and Equipment				2 272	1 189	1 189	1 189	1 362	1 444	1 530
Transport Assets		-	-	-	-	-	-	1 000	1 060	1 124
Transport Assets								1 000	1 060	1 124
Libraries		-	-	-	-	-	-	-	-	-
Libraries										
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Total Repairs and Maintenance Expenditure	1	-	-	20 681	62 436	101 130	101 130	91 784	97 504	94 475

Table 53 MBRR Table SA 34d – Depreciation by asset class

LIM368 Modimolle-Mookgophong - Supporting Table SA34d Depreciation by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		-	-	40 293	44 773	41 273	41 273	49 124	51 432	53 767
Roads Infrastructure		-	-	18 380	19 993	18 993	18 993	19 878	20 804	21 774
Roads				18 380	19 993	18 993	18 993	19 878	20 804	21 774
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	36	36	36	647	678	702
Drainage Collection										
Storm water Conveyance				-	36	36	36	647	678	702
Attenuation										
Electrical Infrastructure		-	-	6 296	7 063	7 063	7 063	7 392	7 737	8 097
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks				6 296	7 063	7 063	7 063	7 392	7 737	8 097
LV Networks										
Capital Spares										
Water Supply Infrastructure		-	-	7 575	9 179	7 679	7 679	8 037	8 411	8 803
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works				7 575	9 179	7 679	7 679	8 037	8 411	8 803
Bulk Mains										
Distribution										
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		-	-	50	-	-	-	5 319	5 584	5 791
Pump Station				50						
Reticulation								446	476	509
Waste Water Treatment Works								3 655	3 831	3 961
Outfall Sewers								1 218	1 277	1 320
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		-	-	7 992	8 502	7 502	7 502	7 851	8 217	8 600
Landfill Sites				7 992	8 502	7 502	7 502	7 851	8 217	8 600
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Furniture and Office Equipment		-	-	396	439	439	439	459	481	503
Furniture and Office Equipment				396	439	439	439	459	481	503
Machinery and Equipment		-	-	10 711	31 735	22 488	22 488	11 354	11 864	12 576
Machinery and Equipment				10 711	31 735	22 488	22 488	11 354	11 864	12 576
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets										
Libraries		-	-	-	-	-	-	-	-	-
Libraries										
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Total Depreciation	1	-	-	51 401	76 947	64 200	64 200	60 937	63 777	66 847

Table 54 MBRR Table SA 34e – Capital expenditure on the upgrading of existing asset by asset class

LIM368 Modimolle-Mookgophong - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	68,177	57,064	37,454	94,087	53,500	90,443
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads										
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	3,360	4,000	4,000	-	-	-
Drainage Collection										
Storm water Conveyance					3,360	4,000	4,000			
Attenuation										
Electrical Infrastructure		-	-	-	4,000	4,000	4,000	-	-	-
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations					4,000	4,000	4,000			
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure		-	-	-	44,817	32,892	13,282	59,396	48,500	70,443
Dams and Weirs					3,500	3,500	3,500	4,917	5,000	
Boreholes						-	-			
Reservoirs					2,500	2,500	2,500	2,268		
Pump Stations						-	-			
Water Treatment Works					6,500	5,000	5,000			5,000
Bulk Mains					11,817	1,100	1,100	20,000	18,500	35,443
Distribution					20,500	20,792	1,182	32,211	25,000	30,000
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		-	-	-	16,000	16,172	16,172	34,692	5,000	20,000
Pump Station					3,000	3,000	3,000	2,603		
Reticulation						-	-			
Waste Water Treatment Works					3,000	3,000	3,000	19,589	5,000	10,000
Outfall Sewers					10,000	10,172	10,172	12,500		10,000
Toilet Facilities										
Capital Spares										
Total Capital Expenditure on upgrading of existing assets	1	-	-	-	68,177	57,064	37,454	94,087	53,500	90,443
Upgrading of Existing Assets as % of total capex		0.0%	0.0%	0.0%	54.4%	43.8%	57.4%	58.6%	42.2%	67.7%
Upgrading of Existing Assets as % of deprecn"		0.0%	0.0%	0.0%	88.6%	88.9%	58.3%	154.4%	83.9%	135.3%

Table 55 MBRR Table SA 35 - Future financial implications of the Capital budget

LIM368 Modimolle-Mookgophong - Supporting Table SA35 Future financial implications of the capital

Vote Description	Ref	2018/19 Medium Term Revenue & Expenditure Framework			Forecasts
		Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Present value
R thousand					
Capital expenditure	1				
Vote 1 - Public Office Bearers		–	–	–	
Vote 2 - Municipal Manager		–	–	–	
Vote 3 - Budget and Treasury		–	–	–	
Vote 4 - Planning and Economic Development		–	–	–	
Vote 5 - Technical Services		152 865	108 500	130 393	
Vote 6 - Corporate Services		–	–	–	
Vote 7 - Community and Social Services		7 648	18 130	3 112	
Vote 8 - [NAME OF VOTE 8]		–	–	–	
Vote 9 - [NAME OF VOTE 9]		–	–	–	
Vote 10 - [NAME OF VOTE 10]		–	–	–	
Vote 11 - [NAME OF VOTE 11]		–	–	–	
Vote 12 - [NAME OF VOTE 12]		–	–	–	
Vote 13 - [NAME OF VOTE 13]		–	–	–	
Vote 14 - [NAME OF VOTE 14]		–	–	–	
Vote 15 - [NAME OF VOTE 15]		–	–	–	
<i>List entity summary if applicable</i>					
Total Capital Expenditure		160 513	126 630	133 505	–
Future operational costs by vote	2				
Vote 1 - Public Office Bearers		16 250	16 231	17 151	
Vote 2 - Municipal Manager		32 526	36 856	37 512	
Vote 3 - Budget and Treasury		81 692	96 306	100 311	
Vote 4 - Planning and Economic Development		16 338	21 918	20 730	
Vote 5 - Technical Services		343 532	351 772	379 972	
Vote 6 - Corporate Services		75 032	67 581	71 736	
Vote 7 - Community and Social Services		68 661	80 026	87 457	
Vote 8 - [NAME OF VOTE 8]					
Vote 9 - [NAME OF VOTE 9]					
Vote 10 - [NAME OF VOTE 10]					
Vote 11 - [NAME OF VOTE 11]					
Vote 12 - [NAME OF VOTE 12]					
Vote 13 - [NAME OF VOTE 13]					
Vote 14 - [NAME OF VOTE 14]					
Vote 15 - [NAME OF VOTE 15]					
<i>List entity summary if applicable</i>					
Total future operational costs		634 030	670 690	714 870	–
Future revenue by source	3				
Property rates		103 157	109 213	116 440	
Service charges - electricity revenue		133 122	177 671	187 292	
Service charges - water revenue		53 066	53 468	56 349	
Service charges - sanitation revenue		18 034	19 285	20 347	
Service charges - refuse revenue		17 847	19 064	20 113	
Service charges - other					
Rental of facilities and equipment		729	768	810	
<i>List other revenues sources if applicable</i>					
Interest earned - external investments		104	120	150	
Interest earned - outstanding debtors		36 897	38 890	41 029	
Fines, penalties and forfeits		446	660	697	
Licences and permits		1 900	4 668	4 925	
Transfers and subsidies		107 831	114 008	122 544	
Other revenue		4 616	5 619	5 928	
<i>List entity summary if applicable</i>					
Total future revenue		477 748	543 433	576 623	–
Net Financial Implications		316 795	253 887	271 751	–

Table 56 MBRR Table SA 36 - Detailed capital budget

LIM368 Modimolle-Mookgopong - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Prior year outcomes		2018/19 Medium Term Revenue & Expenditure Framework			Project information	
			Audited Outcome 2016/17	Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Ward location	New or renewal
R thousand	4								
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>									
Electricity		Construction of Modimolle New substation			3,500			Ward 11	New
		Electrification of 500 households of Phagameng Ext. 13 phase 2	4,402		6,500			Ward 8	Renewal
Refuse		Modimolle Establishment of a Landfill Site phase 1 and 2			12,648	18,130	3,112	Ward 11	New
		Rehabilitation and development park of old Modimolle Dumping site			5,000			Ward 11	
Roads		Paving of street Leseding ext 1 and 2 including mogol and waterberg street			5,216			Ward 1	New
		Upgrading of internal stormwater Mookgophong Ext 1 & 2	3,453					Ward 5	
		Limpopo low level bridge	379		6,407			Ward 2	New
		Phagameng street & storm water w 6	4,280					Ward 8	
		Phagameng street & storm water w 7	3,119					Ward 8	
		Rehabilitation Lillian Ngoyi	2,714					Ward 2	
		Paving of str- Leseding ext 1/2	4,029					Ward 3	
Sewerage		Refurbishment and optimization of the Mookgophong wastewater treatment plant	1,219		2,500			ward 14	Upgrade
		Refurbishment and upgrading of the Mabaleng wastewater treatment plant			1,000			Ward 1	Upgrade
		Refurbishment and upgrading of the Mabatlane wastewater treatment plant			1,500			Ward 1	Upgrade
		Refurbishment of the Nyl sewer pump station(Mookgophong)			5,000	5,000	10,000	Ward 2	Renewal
		Sewer reticulation outfall and Yard connection and waterborne Mookgophong			6,663			Ward 2	New
		Upgrading of the industrial sewer outfall in Modimolle			2,500	-	-	Ward 11	Upgrade
		Upgrading of the main sewer outfall in Modimolle (Jay Naidoo)			10,000	-	10,000	Ward 11	Upgrade
		Refurbishment and upgrade of the Modimolle wastewater treatment plant	304		5,000	5,000	10,000	Ward 11	Upgrade
		Rehabilitation of chlorination in Mookgopong	189					Ward 9	



Water distrib		Construction of resevoir in Nyl and roedtan			-	10,000	-		New
		Construction of the Donkerpoort water pipeline and storage resevoir			-	10,000	19,950	Ward 2	New
		Refubishment of the Donkerpoort treatment plant			-	-	5,000	Ward 2	Upgrade
		Refubishment of the Frikkie Geyser dam (Welgevonden)			2,500			Ward 5	Upgrade
		Rehabilitation of water network in mookgophong	4,251		-	10,000	-	Ward 5	Renewal
		Rehabilitation of water reticulation network in modimolle			-	10,000	-	Ward 11	Renewal
		Replacement/Installation of water meters(Modimolle/Mookg/Mabatlane)			-	10,000	10,000	Ward 5	Renewal
		Upgrading of the Nyl pump station and resevoir	2,075		-	5,000	-	Ward 2	Upgrade
		Bulk Supply water & Storage Reservoir Upgrade	6,239		-	18,500	35,443	Ward 2	Upgrade
		Replacement of asbestos (AC) pipeline in mookgophong town	7,776		10,000	10,000	10,000	Ward 2	Upgrade
		Replacement of Asbestos pipeline in Modimolle town and Phagameng	635		10,000	15,000	20,000	Ward 8	Upgrade
		Rehabilitation of 4 Boreholes (2 Thosang and 2 Nyl wellfield)	1,861		-			Ward 10	
		Replacement of Asbestos pipes at Modimolle			7,014			Ward 10	Upgrade
		Refurbishment and optimazation of the WWTW in Mookgophong			4,607			Ward 5	Upgrade
		Replace asbestos pipeline in Mookgophong			5,197			Ward 5	Upgrade
		Rehabilitation and Refurbishment of the Sewer pump station in Ext. 6 Mandela			2,603			Ward 8	Upgrade
		Upgrading of the main outfall in Modimolle			6,700			Ward 10	New
		Drilling, Equipping and Electrification of Boreholes at Mabaleng			694			Ward 1	New
		Rehabilitation of the Mabatlane pump station and resealing of water towers			2,268			Ward 1	Upgrade
		Rehabilitation of the Frikkie Geyser dam (Welgevonden) (Turnkey)			2,417			Ward 5	Upgrade
		Upgrading of 2ML WWTW plant in Roedtan			3,000			Ward 5	Upgrade
		Drilling of boreholes in Mookgophong (Turnkey)			2,500			Ward 5	New
		Installation of standby Generators (Turnkey)			10,000			Ward 14	Upgrade
		Refurbishment of the Donkerpoort treatment plant			4,534			Ward 2	New
		Refurbishment of the Modimolle WWTW (Turnkey)			4,057			Ward 2	Renew
		Construction of a pressure tower in Mookgophong			5,223			Ward 5	New
		Upgrading of the Nyl sewer pump station			1,981			Ward 2	Upgrade
		Modimolle pressure tower at Driehek			182			Ward 10	New
		Drilling and equipping of 6 boreholes in Mabatlane			382			Ward 1	New
		Steel resevoir at Mabatlane 3.3ML and pipeline			347			Ward 1	New
		Steel resevoir at Mabaleng 3.3ML and pipeline			472			Ward 1	New
		Drilling and equipping of 6 boreholes in Mookgophong			98			Ward 5	New
		Replace the 7km asbestos pipeline in Mookgophong			184			Ward 5	New
		Rehabilitation of 4 boreholes (Thusang and Nyl)			118			Ward 5	New
Parent Capital expenditure	1				160,513	126,630	133,505		
Total Capital expenditure			46,925	-	160,513	126,630	133,505		



LIM368 Modimolle-Mookgophong - Supporting Table SA37 Projects delayed from previous financial year/s

Municipal Vote/Capital project	Ref. 1,2	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
								Original Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
								Year				
R thousand												
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>				<i>Examples</i>	<i>Examples</i>							
Entities: <i>List all capital projects grouped by Municipal Entity</i>												
Entity Name Project name												

Part 3 – SUPPORTING DOCUMENTS

1. OVERVIEW OF THE ANNUAL BUDGET PROCESS

In undertaking its annual budget process, Modimolle-Mookgophong Local Municipality was guided by the following key legislation and documents:

- Municipal Finance Management Act;
- Municipal Systems Act;
- The National Spatial Development Framework; and
- The Limpopo Provincial Government and Development Strategy.
- National Treasury Circular 54.
- Municipal Regulation on Standard Chart of Accounts

The municipality is always conscious of the fact the IDP, Budget and other consultative processes have to be undertaken with credibility and honesty in order to ensure good governance and accountability. The municipality engaged its various stakeholders in preparing this 2018/19 MTREF budget, including the communities in all the eight (8) wards, the local Chamber of Commerce and national and provincial government departments. These stakeholders are diverse and included local SMMEs, formal businesses, street vendors, agricultural and mining communities as well as ordinary members of our communities.

Lim 368 Local Municipality engaged in the IDP and Budget processes as one process. The objective was to strengthen the synergy between the IDP and the Budget to ensure that they are consistent and linked. This new process had some hiccups but these will be addressed as more experience is gained in this initiative. From these community participation and consultation processes, the municipality identified and prioritised the needs of the communities. As is almost always the case in any budget process, some priorities were identified that could not be funded in the 2014/15 financial year. These priorities and their related programmes/ projects were then included in the medium term IDP for funding consideration once additional funding becomes available, currently or in the future years.

In all these public consultation and participation process, including internal prioritisation and negotiation processes, the Mayor played an active oversight role over the IDP and Budget as required by Section 53(1) (a) of the MFMA, which states that the Mayor of a municipality must provide general political guidance over the budget process and the priorities that must guide the preparation of the budget. Under the guidance of the Mayor, engagements were also held over a number of days with the Councillors in the budget and prioritisation processes. The table below is an extract of the key deadlines relating to the Budget and IDP processes as required by Section 21(1) (b) of the Municipal Finance Management Act, 2003.

Section 216 of the Constitution of the Republic of South Africa, 1996, provides that national legislation must prescribe measures to ensure transparency and expenditure control in each sphere of government by introducing generally recognised accounting practice, uniform expenditure classifications and uniform treasury norms and standards. The Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), determines those measures for the local sphere of government and enables the Minister of Finance to further prescribe, by regulation such measures in terms of section 168 thereof.

In terms of section 169(1)(b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), the Minister of Finance has signed into effect and subsequently published the Municipal Regulations on a Standard Chart of Accounts (SCOA) in terms of Notice 312 of 2014, Government Gazette No. 37577 (attached) subsequent to formal consultation.

Table 57 - Summary of key deadlines in the budget and IDP process

Processes and activities	Responsibility	Date
1 st IDP, Budget and PMS Rep Forum	Mayor	20-21 July 2017
IDP/Budget and PMS Public Participation Meeting	Mayor	8 – 23 Aug 2017
Approved IDP, Budget and PMS process plan	Council	31 Aug 2017
2 nd IDP, Budget and PMS Rep Forum	Mayor	10 November 2017
Table and approval of 2017/18 adjustment budget to Council	Mayor	28 Feb 2018
Tabling of 2018/19 budget	Mayor, Council	31 March 2018
Submission of tabled budget to National and Provincial Treasuries	MM	4 April 2018
Public hearings on budget, IDP and budget policies	Mayor	1 April – 30 April 2018
Approval of 2018/19 IDP, budget and budget policies	Council	31 May 2018
Submission of draft SDBIP and draft performance agreements of Snr Managers to Mayor	MM	13 June 2018
Approval of SDBIP and performance agreements of Snr Managers	Mayor	27 June 2018
Submission of approved budget, IDP, SDBIP and performance agreements to National and Provincial Treasuries and other interested parties	MM	19 June 2018

2. **OVERVIEW OF ALIGNMENT OF BUDGET WITH INTEGRATED DEVELOPMENT PLAN**

In reviewing the IDP and preparing the 2018/19 MTREF, public consultations were conducted on the first draft of the budget that was tabled with various stakeholders in order to identify their needs and priorities. The second draft has been prepared to be presented to council. As mentioned in the preceding section, the municipality collated the information and prioritized the needs. When determining the available funding against the needs and projects, due consideration was given to the operating expenditure implications for the existing capital projects over the lifespan of the projects.

3. **MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS**

The measurable performance indicators and objectives for revenue and expenditure (both capital and operating) are contained in the Service Delivery and Budget Implementation Plan (SDBIP) of the municipality and the Section 57 (Municipal Systems Act) managers. The SDBIP has been designed such that it gives effect to the implementation of the budget, with quarterly performance targets. The SDBIP will be submitted to the Mayor immediately after the budget has been approved. The timeframes as contained in Section 53(1) (c) of the MFMA will be complied with.

The key financial indicators and ratios are contained in Supporting Table 8 on page no 65.

4. DRINKING WATER QUALITY AND WASTE WATER MANAGEMENT

4.1 Water Service Authority and Water Service Provider

Modimolle-Mookgophong is the Water Service Authority (WSA) and the Water Service Provider. Magalies Water Board serve as a Water Service Provider (WSP), providing only a portion of the bulk requirements to Modimolle. Modimolle-Mookgophong LM operates both the Water and Waste Water Treatment Works.

4.2 Blue and Green Drop Rating

The overall Blue drop rating for the Municipality is standing at 70.10%. Areas for concern are the low skills of our employees in the division, as they cannot be classified under the DWA regulations. The treatment works require at least a Class III Process Controller and our employees are sitting at Class 0. Upgrade of the Raw and Final Water pipeline for Donkerpoort and drilling of more boreholes for Mabatlane and Mabaleng are also areas for concern.

The overall Green Drop PAT rating is currently sitting at 43.3%. No score or report issued for the 2014/15 audit. Areas for concern are the low skills of our employees in the division, as they cannot be classified under the DWA regulations. The treatment works require at least a Class III Process Controller and our employees are sitting at Class 1 and Class 0.

4.3 Water Safety Plan and Waste Water Risk Abatement Plan (W₂RAP)

The water safety plan is being reviewed annually and items that emanate from the risk assessment are being included in the budget.

Department of Water Affairs assisted the municipality in developing the wastewater risk abatement plan.

4.4 Challenges with regards to management of drinking water and waste water Ageing infrastructure

Skills and qualifications of our process.

Water quality analysis instruments.

Limited operations and maintenance budget for both water and wastewater treatment works including the distribution networks.

Failing infrastructure

5. OVERVIEW OF BUDGET RELATED POLICIES

The municipality has come to the realisation that for the budget to be credible and balanced, it must be supported by policies that guide the revenue and expenditure estimates. Modimolle-Mookgophong Local Municipality aims to deliver services that are affordable to its communities. To ensure this, the budget related policies have been reviewed, and other policies are in the process of review, to take the socio-economic realities of the communities into account. This reality, however, is balanced with the realisation that the municipality must be financially sustainable.

6. OVERVIEW OF BUDGET ASSUMPTIONS

In the following MFMA Circulars: 54,66,67,70,89 and 91 the National Treasury has cautioned municipalities to prepare budgets within the context of the economic crises that are felt everywhere in the



globe. Some of the economic crises that will impact on the budget are slow growth in the local economy of the municipality, shrinking employment and declining income levels. These factors, in turn, will impact on the demand for and affordability of municipal services. The budget has to be responsive to the needs of the community but also structured in such a manner that it facilitates local economic development and job creation. Three factors are very important in this regard, namely;

- The municipality must collect all revenue due from those households and members of the community who can afford to pay for the municipal services they receive but refuse, or ignore, to do so;
- The municipality must exercise financial discipline avoid unnecessary, nice-to-have and non-priority expenditure. The following examples was given:
 - expenditure on membership and other related costs associated with The South African Municipal Sports and Recreation Association (SAMSRA)
 - excessive sponsorship of music festivals, beauty pageants and sporting events, including the purchase of tickets to events for councillors and/or officials;
 - public relations projects and activities that are not centred on actual service delivery or are not a municipal function (e.g. celebrations; gala dinners; commemorations, advertising and voter education);
 - LED projects that serve the narrow interests of only a small number of beneficiaries or fall within the mandates of other government departments such as the Department of Agriculture;
 - excessive catering for meetings and other events, including the use of public funds to buy alcoholic beverages;
 - arranging workshops and events at expensive private venues, especially ones outside the municipality (as opposed to using the municipality's own venues);
 - excessive printing costs (instead of maximising the use of the municipality's website, including providing facilities for the public to access the website);
 - excessive luxurious office accommodation and office furnishings;
 - foreign travel by mayors, councillors and officials, particularly 'study tours'
 - excessive councillor and staff perks such as luxurious mayoral cars and houses, notebooks, IPADS and cell-phone allowances; travel and subsistence allowances. Municipalities are reminded that in terms of section 7 (1) of the Remuneration of Public Office-bearers Act, 1998 (Act No.20 of 1998) the Minister for Cooperative Governance and Traditional Affairs must determine the limit of salaries and allowances of the different members of municipal councils and any budget provision may not be outside this framework;
 - excessive staff in the office of the mayor – particularly the appointment of political 'advisors' and 'spokespersons';
 - all donations to individuals that are not made in terms of the municipality's indigent policy or a bursary scheme; for instance donations to cover funeral costs (other than pauper burials which is a district municipality function);
 - costs associated with long-standing staff suspensions and the legal costs associated with not following due process when suspending or dismissing staff, as well as payment of severance packages or 'golden handshakes'; and
 - the use of consultants to perform routine management tasks, and the payment of excessive fees to consultants;
 - excessive overtime.
- The municipality must effectively utilise its assets, making the assets to sweat as reflected by the ratio of operating income to assets, particularly the income generating assets. This has been balanced with increased budget on repairs and maintenance to ensure that the infrastructure assets are maintained at higher levels.

This budget has been prepared based on the following assumptions:

The audit of the 2016/17 Annual Financial Statements (AFS) was still to be concluded at the time of preparing the 2018/19 annual budget, hence limited reliance was placed on the unaudited AFS as the majority of the figures could not be supported. In addition, it must be noted that the 2017/18 Section 71 figures reported to National and Provincial Treasury, as reflected on the municipality's financial system, were in some instances incomplete. Therefore, in preparing the 2018/19 budget, reference was made to the latest financial statements of the former Modimolle and Mookgophong Municipalities for 2015/16, the 2017/18 performance and the 2017/18 Adjustments Budget as an indication of prior year and current year performance, despite the limitations noted.

Explanations of the assumptions and variables used in preparing the 2018/19 budget have been provided herein.

Table 58 - Budget assumptions

Financial year	2017/18 Actual	2018/19 Estimate	2019/20 Forecast	2020/21
Headline CPI inflation	5.3%	5.3%	5.4%	5.5%
Revenue collection rate (average)	67%	68%	70%	72%
Salaries (LGBA)	7.36%	7%	Projected CPI +1%	Projected CPI +1%

In its MFMA Circular 91, National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as practically possible.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the upper limit of the 3 to 6 per cent target band; therefore municipalities are required to justify all increases in excess of the projected inflation target for 2018/19 in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups.

Key assumptions for budgeted operating revenue

The following assumptions were used in determining the number of households per service:

The total number of households per service is based on the 2016 community survey data (28 977) as well as increases in the number of households with access to services in 2018/19. In the two outer years, the number of households have been updated based on the projected growth rate and as per the 2018 Equitable share data which is based on the average growth rate from the 2011 Census and 2016 Community survey.

Energy: During the 2017/18 financial year, prepaid electricity meters were installed in 500 households. The municipality has been conservative in projecting Service charges-electricity revenue from this area.

The municipality does not anticipate a significant increase in total Electricity consumption, as there is a possibility that there may be power interruptions. While the municipality will take all measures to avert the possible power interruptions, the municipality has been conservative in estimating increases in electricity consumption in 2018/19.

Water and Sanitation: Increases in the number of households with access to the water and sanitation service as projected in Table A10: Basic service delivery measurement is expected to be minimal.

Refuse: Similar to the Water and Sanitation services, the expected increase in the number of households to be provided with the refuse removal service is marginal and has been factored in the budget for Service charges-refuse revenue.

Property rates: The property rates budget is expected to increase from R65.3m in 2017/18 to R103m in 2018/19 financial year. This increase is due to the anticipated implementation of the new valuation roll.

Tariffs: It must be noted that the proposed tariffs per service are provided under the Executive summary and Annexure A.

The table below reflects the budgeted tariff increases per municipal service as well as an increase in Property rates randage.

Services and Rates	Average % increase 2018/19	Average % increase 2019/20	Average % increase 2020/21
Electricity	6.84%	7.5%	7.5%
Water	12%	12.5%	13%
Sanitation	6%	6%	6%
Refuse removal	5%	5%	5%
Property rates	6%	6%	6%

Interest earned-external investments: The decrease in the budget for Interest earned on external investments is due to the fact that the Investments held are expected to decrease in view of the municipality's current financial challenges.

Interest earned-outstanding debtors: To a large extent, the projections for this line item were based on the 2017/18 current year trends which show a decline in the debtors collection. While the municipality will implement measures to improve debt collection, the impact of these measures may not be felt immediately. The municipality notes that the collectability of this revenue may prove to be difficult and this has been factored in the budget for Debt impairment and the projected cash receipts from this line item.

Rental of facilities and equipment: The budget for rental of facilities is based on the 2017/18 financial year, however the municipality is still awaiting the finalisation of the valuer report of market related tariffs.

Fines, penalties and forfeits: Consideration was given to the revenue generated from Fines in the 2016/17 financial year. This budgeted amount is conservative. The municipality will ensure that revenue and collections from this line item are enhanced in future budget periods.

Licences and permits: Revenue for this line item has shown a decreasing trend from 2015/16 (based on the separate AFS of the municipalities prior to amalgamation) to 2016/17. The revenue generated in the 2017/18 financial year shows a further decrease. In order to be prudent, the budget for Licences and permits considers this downward trend. The downward trend is a concern and requires further investigation and analysis.

Operating Transfers and subsidies: A breakdown of the budgeted operating Transfers and subsidies is provided under the Executive summary on the Operating revenue framework. The budgeted transfers and subsidies are in accordance with the 2018 Division of Revenue Bill. The municipality has

allocated five per cent (5%) of the MIG funding under the operating budget to cater for the Project Management Unit operations.

Other revenue: A decrease is noted in the budget for Other revenue from 2017/18 to 2018/19 mainly because of the exclusion of the fire fighting income as the fire fighting service was taken back by Waterberg District Municipality. A review of the budgeted revenue as per the detailed breakdown provided in the budget Schedules has been done prior to finalisation of the budget.

Key assumptions for the budgeted operating expenditure

Employee Related costs: Basic Salary will increase by 7%. This line item is likely to be reviewed by the municipality once the negotiations have been finalised at the Bargaining Council. This might also be affected by the finalisation of the placement emanating from the amalgamation process.

Remuneration of Councillors is budgeted for an increase of 3.9% in 2018/19 budget which is informed by the current year performance and the Government Gazette on the remuneration of Public Officers.

Depreciation and asset impairment: The budget for this line item is informed by the municipalities Asset Management Policy.

Debt impairment: Consideration was given to the poor revenue collection and debtors collection rate as well as the projected bad debts.

Finance charges: This budgeted line item includes interest charges as well as contribution to provisions

Bulk purchases: The budget for bulk purchases for electricity has increased by 7.32% which amount to R8.9m. The increase is informed by the new tariffs implemented by NERSA.

The bulk purchases for water has increased by 12% as prescribed by the Water Board.

Contracted services: This line item includes amongst others, contractors for the following services ie. Security (R13.4m), Water Tankers (R2m), Fleet management (R2.3m), Business and advisory (R5.7m), legal costs (R17.4m).

Repairs and maintenance (R & M) as a percentage of PPE stands at 6.6% which is lower than the recommended 8%, however, the municipality will develop and implement an Asset management plan together with a procurement plan. This will ensure improved budgeted allocation on R & M.

Free Basic Services: The number of identified Indigents budgeted for is lower than the actual number of poor households as per the 2016 community survey. The municipality will ensure that the updated Indigent register is maintained.

Other expenditure

This line item includes amongst others, services like: Audit Fees (R6.5m), external computer services (R4.2m), insurance (R4.3m), advertising (R350K), servitude for bore holes (R240K) and Postage of billing statements (R1.6m).

7. OVERVIEW OF BUDGET FUNDING

Section 18(1) of the MFMA requires the budget of a municipality to be funded from-

- (i) Realistically anticipated revenues to be collected;
- (ii) Cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
- (iii) Borrowed funds, but only for the capital budget referred to in Section (17) (2) of the MFMA.

This budget has been prepared taking into cognizance the requirements of the abovementioned section. Revenue was estimated using a collection rate of 68% to billings. The capital budget is funded out of grants received from National Treasury. An adjusted budget will be compiled for Council's consideration once additional funding becomes available from either internal and/ or external sources. The 2018 Division of Revenue Bill allocations to Modimolle-Mookgophong Local Municipality are as follows for 2018/19 – 2020/21.

Table 59 - Grant allocations over the MTREF

Grant type (R'000)	2018/19	2019/20	2020/21
Equitable share	R 100 804 000	R 109 080 000	R 118 015 000
Finance Management Grant	R 4 115 000	R 3 000 000	R 2 500 000
Municipal Infrastructure Grant	R 37 826 000	R 38 558 000	R 40 584 000
Extended Public Works Programme	R 1 021 000	-	-
Integrated National electrification Program	R 10 000 000	-	-
Water Services Infrastructure Grant	R 50 000 000	R 90 000 000	R 94 950 000

These grants are explained below:

- **Equitable Share** - The equitable share is an unconditional grant and is used for institutional capacity and to support the indigents;
- **Local Government Financial Management Grant** - This grant is a conditional grant and can only be used for capacity building and Internship Programme;
- **Municipal Infrastructure Grant (MIG)** - This is a conditional grant for municipal infrastructure; and
- **Water Services Infrastructure Grant** - To facilitate the planning and implementation of various water and sanitation projects to accelerate backlog reduction and improve the sustainability of services in prioritised district municipalities, especially in rural municipalities; provide interim, intermediate water and sanitation services that ensure provision of services to identified and prioritised communities, including through spring protection, drilling, testing and equipping of boreholes and on-site solutions; to support drought relief projects in affected municipalities.

Funding of operating expenditure

Based on the budgeted cash flow, the net cash outflow from operating activities is a negative amount of (R132.3m) which includes capital transfers of R95.5m. This has led to a shortfall in the operating activities. The municipality will implement measures in place to combat this shortfall.

Funding of capital expenditure

The budget for capital expenditure is funded from capital transfers.

Financial recovery plan

A financial recovery plan will be developed to be implemented upon approval by council. The implementation of the plan will improve the financial sustainability of the municipality. The financial recovery plan also include planned savings to improve the financial viability of the municipality.

Council takes cognizance of the fact that this municipal budget is unfunded based on the budgeted cash deficit, due to a poor cash collection rate, high expenditure rate and financial commitments such as Eskom, Magalies and other major creditors as well as the huge non cash-backed Unspent conditional grants. Council directs the Accounting Officer to facilitate a review of the Eskom and Magalies repayment arrangements and inculcate a culture of rigorous revenue collection rate.

8. EXPENDITURE ON ALLOCATIONS FOR PROVISIONS

Provision was made in the 2018/19 budget for the following statutory and reserve fund contributions:

• Leave Reserve	:	R 1 716 384
• Debt Impairment	:	R 39 044 799
• Post-retirement benefit obligation		R 4 241 108

The Leave provision and Post-retirement benefit obligation is based on the actuarial reports for the 2016/17 financial year. Contributions in total amount to R 45 002 291 and this represents 7% of total operating expenditure.

9. ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

The municipality does not provide any grants or allocations to any organs of state. Only subsidies for free basic services to Eskom is provided for in the budget.

10. COUNCILLORS ALLOWANCES AND EMPLOYEE BENEFITS

The municipality made provision for an increase of 5% to councillors and 7% to employee's allowances and benefits. The increase is based on the latest SALGA guidelines on wage negotiations as they are still on-going.

The total employee related costs increased by 12% from the adjustment budget of 2017/18. Senior Managers employee costs increased as a result of vacant posts in the 2016/17 financial year which are in the process of being filled.

See supporting Table SA23 for the detail.

11. MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

Monthly targets for revenue, expenditure and cash flow are attached as per supporting Table 25 (SA25) to supporting Table 30 (SA30). The operating revenue and expenditure monthly projections are indicated in supporting Table 25 indicating cash flow by source and type, supporting Table 26 indicates municipal vote and supporting Table 27 by standard classification. Supporting Table 25 to 27 balances to the operating budget as per Table A4. The cash flow projection as per supporting Table 30 indicates the projected cash flow per month based on the following cash flow assumptions and balances to Table A7:

12. ANNUAL BUDGETS AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS

Supporting Table 7 on page 63 is intended to indicate measurable budget performance objectives per municipal vote.

The service delivery and budget implementation plans will be submitted to the Mayor within 14 days of the tabling of the budget.

13. CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

In terms of the Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years), though the municipality has an exception with Magalies Water Board. See supporting Table SA33 for the municipality contracts having future budgetary implications for the next 3 years.

The municipality did a cost analysis to determine the need for external security services. The cost analysis indicated that it will be more cost effective to have an external service provider rendering the services instead of the municipality.

14. CAPITAL EXPENDITURE DETAILS FOR 2018/19

The supporting Table SA36 shows the details of capital budget for the 2018/19 financial year. As the table shows, the funding of the capital budget is grant funded, however 62 percent (62%) which is R81 m of the R132.2 m for the 2017/18 grant funding was utilized for operational expenditure.

The impact of this scenario is as follows:

MIG projects: The 2017/18 capital projects will be completed by utilizing R14.3m of the R37m allocated for the 2018/19 MIG grant allocation, which leaves the municipality with R23.5m to spend. Therefore, the 2018/19 allocation shall be utilized to complete the incomplete projects for 2017/18. Wherein the only new project that will be underfunded in the 2018/19 allocation, is the Limpopo Low level culvert Bridge, which according to estimation is only 50 percent funded.

INEP projects: The 2017/18 capital projects will be completed by utilizing R2 m of the R10m allocated for the 2018/19 INEP grant allocation, which leaves the municipality with R8m to spend. Therefore, the 2018/19 allocation shall be utilized to complete the incomplete projects for 2017/18. Wherein the only new project that will be underfunded in the 2018/19 allocation, is the Electrification of the Phagameng Extension 13 Phase 2, which according to estimation is only 66.6 percent funded.

WSIG projects: The 2017/18 WSIG projects funded at R80m remain incomplete wherein only R15m was spent. The R64m stands non-cash backed therefore limiting the municipality to only use R50m meant for 2018/19 WSIG budget to fund the R64.9m incomplete projects, resulting in a shortfall of R14.9 million. The R14.9m deficit is not funded towards the intended 2018/19 projects. The municipality cannot implement the new projects for 2018/19 in view of the incomplete 2017/18 projects.

The incomplete 2017/18 projects which were contracted for an amount of R64.9 million will be implemented in 2018/19. Therefore, the 2018/19 WSIG allocation of R50 million will be used to fund the projects already contacted for in 2017/18. The municipality will fund the balance of R14.9 million capital projects from own revenue sources.



Function	Project name	Funding source	Budget 2018/19	Budget 2019/20	Budget 2020/21
Capital funding through INEP					
Electricity	Cost: Acquisitions Electrification of 500 Households in Phagameng extension 13 phase 2	INEP	6,500,000	-	-
Electricity	Cost: Acquisitions Construction of new Substation Modimolle	INEP	3,500,000	-	-
			10,000,000	-	-
Capital funding through MIG					
Roads	Cost: Acquisitions Limpopo low level culvert bridge	MIG	6,407,326		
Roads	Cost: Acquisitions Paving of Leseding ext 1 and 2 including mogol and waterberg str	MIG	5,216,000		
Refuse	Cost: Acquisitions Modimolle Establishment of a Landfill Site phase 1 and 2	MIG	12,648,374	18,130,100	3,111,762
Water distrib	Cost: Acquisitions Bulk Supply water & Storage Reservoir Upgrade	MIG	-	18,500,000	35,443,038
Parks	Cost: Acquisitions Rehabilitation and development of a park at Old Modimolle landfillsit	MIG	5,000,000	-	-
Sewerage	Cost: Acquisitions Sewer outfall and Yard connection and waterborne Mookgophong	MIG	6,663,000		
			35,934,700	36,630,100	38,554,800



Capital funding through WSIG					
Water distrib	Cost: Acquisitions Replacement of asbestos (AC) pipeline in mookgophong town	WSIG	10,000,000	10,000,000	10,000,000
Sewerage	Cost: Acquisitions Upgrading of the industrial sewer outfall in Modimolle	WSIG	2,500,000	-	-
Sewerage	Cost: Acquisitions Upgrading of the main sewer outfall in Modimolle (Jay Naidoo)	WSIG	10,000,000	-	10,000,000
Sewerage	Cost: Acquisition Refurbishment and upgrade of the Modimolle wastewater treatment	WSIG	5,000,000	5,000,000	10,000,000
Water distrib	Cost: Acquisition Replacement of Asbestos pipeline in Modimolle town and Phagameng	WSIG	10,000,000	15,000,000	20,000,000
Sewerage	Cost: Acquisition Refurbishment and upgrading of the Mabaleng wastewater treatment	WSIG	1,000,000		
Sewerage	Cost: Acquisition Refurbishment and upgrading of the Mabatlane wastewater treatment	WSIG	1,500,000		
Sewerage	Cost: Acquisition Refurbishment and optimization of the Mookgophong wastewater tre	WSIG	2,500,000		
Water distrib	Cost: Acquisition Refurbishment of the Frikkie Geyser dam (Welvevonden)	WSIG	2,500,000		
Sewerage	Cost: Acquisition Refurbishment of the Nyl sewer pump station(Mookgophong)	WSIG	5,000,000	5,000,000	10,000,000
Water distrib	Cost: Acquisition Refurbishment of the Donkerpoort treatment plant	WSIG	-	-	5,000,000
Water distrib	Cost: Acquisition Rehabilitation of water network in mookgophong	WSIG	-	10,000,000	-
Water distrib	Cost: Acquisition Construction of resevoir in Nyl and roedtan	WSIG	-	10,000,000	-
Water distrib	Cost: Acquisition Replacement/Installation of water meters(Modimolle/Mookg/Mabatl	WSIG	-	10,000,000	10,000,000
Water distrib	Cost: Acquisition Rehabilitation of water reticulation network in modimolle	WSIG	-	10,000,000	-
Water distrib	Cost: Acquisition Upgrading of the Nyl pump station and resevoir	WSIG	-	5,000,000	-
Water distrib	Cost: Acquisition Construction of the Donkerpoort water pipeline and storage resevoir	WSIG	-	10,000,000	19,950,000
			50,000,000	90,000,000	94,950,000

Capital funding through Own revenue		Funding source	Budget 2018/19	Budget 2019/20	Budget 2020/21
Water	Replacement of asbestos pipes at Modimolle (Turnkey)	Revenue	7,013,609.24	-	-
Sewer	Refurbishment and optimization of the WWTW in Mookgophong	Revenue	4,607,321.87	-	-
Water	Replace asbestos pipeline in Mookgophong (turnkey)	Revenue	5,197,386.21	-	-
Sewer	Rehabilitation and refurbishment of sewer pump station in ext 6 Mandela	Revenue	2,603,077.27	-	-
Sewer	Upgrading of the main outfall in Modimolle (turnkey)	Revenue	6,700,155.15	-	-
Water	Drilling, equipping and electrification of boreholes at Mabaleng	Revenue	693,782.13	-	-
Water	Rehabilitation of the Mabatlane pump station and resealing of water towers	Revenue	2,267,775.26	-	-
Water	Rehabilitation of the Frikkie Geyser dam (welgevonden) (turnkey)	Revenue	2,416,755.76	-	-
Sewer	Upgrading of 2ML WWTW plant in Roedtan	Revenue	3,000,000.00	-	-
Water	Drilling of boreholes in Mookgophong (Turnkey)	Revenue	2,500,000.00	-	-
Water	Installation of standby generators (turnkey)	Revenue	10,000,000.00	-	-
Water	Refurbishment of donkerpoort treatment plant	Revenue	4,533,558.00	-	-
Sewer	Refurbishment of the Modimolle WWTP (turnkey)	Revenue	4,057,127.82	-	-
Water	Construction of a pressure tower in Mookgophong	Revenue	5,223,499.27	-	-
Sewer	Upgrading of the Nyl sewer pump station	Revenue	1,981,300.00	-	-
Water	Modimolle pressure tower at driehek	Revenue	181,574.78	-	-
Water	Drilling and equipping of 6 boreholes in mabatlane	Revenue	382,454.81	-	-
Water	Steel resevoir at Mabatlane 3.3ML and pipeline	Revenue	346,845.53	-	-
Water	Steel resevoir at Mabaleng 3.3 ML and pipeline	Revenue	471,892.34	-	-
Water	Drilling and equipping of 6 boreholes in Mookgophong	Revenue	97,911.34	-	-
Water	Replace the 7km asbestos pipeline in Mookgophong	Revenue	184,389.68	-	-
Water	Rehabilitation of 4 boreholes (thusang and Nyl)	Revenue	117,824.57	-	-
			64,578,241.03	-	-
TOTAL CAPITAL BUDGET			160,512,941	126,630,100	133,504,800

15. LEGISLATION COMPLIANCE DETAILS

This budget has been prepared in accordance with the requirements of the Municipal Finance Management Act, the Municipal Budget and Reporting Regulations and the Municipal Systems Act.

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the municipality's website.
2. Internship programme
The municipality is participating in the Municipal Financial Management Internship programme and has employed seven interns undergoing training in various divisions of the Financial Services Department and Internal Audit Department.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee
An Audit Committee has been established and is fully functional.
5. Service Delivery and Implementation Plan
The detail SDBIP document is at a draft stage and will be finalised after approval of the 2018/19 MTREF in May 2018 directly aligned and informed by the 2018/19 MTREF.
6. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements.



16. QUALITY CERTIFICATION

I,, the Acting Municipal Manager of Modimolle-Mookgophong Local Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and Regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Name: _____

Signature: _____

Date: _____

Part 4 – ANNEXURES**Annexure A: Tariffs**

Annexure B: Integrated Development Plan

The Integrated Development Plan will be the presented in council.

Annexure C: Budget Related Policies